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AN EXAMINATION OF THE ADMINISTRATION OF THE
PROCUREMENT TECHNICAL ASSISTANCE
COOPERATIVE AGREEMENT PROGRAM

by

Jeffrey Browning Matens

June 1988

Thesis Advisor:

Raymond W. Smith

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An Examination of the Administration of the
Procurement Technical Assistance
Cooperative Agreement Program

by

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Lieutenant Commander, Supply Corps, United States Navy
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Submitted in partial fulfillment of the
requirements for the degree of

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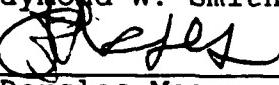
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ABSTRACT

The Procurement Technical Assistance Cooperative Agreement Program is designed to provide Federal matching funds to state, local and non-profit organizations established to provide technical procurement assistance to businesses desiring to contract with the Federal Government. This study examines the effectiveness of the Defense Contract Administration Service Regions' (DCASRs') administration of the PTA Program and the state of the Program in general. Recommendations are offered for improvements in the Program's administration, as well as recommendations for improving the PTA Program overall.

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I. INTRODUCTION

A. OVERVIEW

The Procurement Technical Assistance Cooperative Agreement Program¹ was established for the purpose of providing a vehicle of Federal funding assistance to state and local governments, and non-profit organizations, to assist in the maintenance of organizations instituted for the purpose of aiding businesses contract with the Federal Government. In the legislation establishing the PTA Program, the Defense Logistics Agency (DLA) was designated as the primary administrator. Specifically, the nine Defense Contract Administration Service Regions (DCASRs) throughout the United States were specified to perform the routine management of the PTA Program.

This research effort is directed primarily towards analyzing the effectiveness of the DCASRs' administration of this program, and to offer recommendations for the improvement of that administration where applicable.

B. SCOPE OF THE RESEARCH

Of main importance in the development of the study was the examination of the procedures currently being used by the

¹Hereafter, also referred to as the PTA Program, or simply as the Program.

DCASRs to administer the PTA Program. The study concentrated on those procedures considered germane for the effective control of those areas of concern delineated in the primary and secondary research questions defined below.

In conducting his research, the author visited four DCASRs: Dallas, St. Louis, Philadelphia, and Cleveland. Further, the author attended a series of meetings in Atlanta, Georgia, held among the Associate Directors of Small Business of the DCASRs, and the PTA Program staff from DLA Headquarters, at which the primary topic of discussion was the definition of new program requirements for the FY 1988 PTA Cooperative Agreement Program.

Since the specific changes in the PTA Program from FY 87 to FY 88 were not finalized in time for the publication of this study, the examination of the structure of the Program presented in Chapter II was based on the FY 87 proposal package.

C. RESEARCH QUESTIONS

Of primary interest will be to provide a basic answer to the following question:

How effective have the DCASRs been in their designated role as regional administrators of the PTA Cooperative Agreement Program?

The following secondary research questions were also considered germane to the research effort:

- * Has the DLA been effective in the organization of the overall program, and has it provided adequate guidance to the DCASRs for administering the PTA Cooperative Agreement Program?
- * Is the PTA Cooperative Agreement Program viable and effective in terms of its design and its current administration and utilization?

It seems to the author that the policy considerations of these questions are considerable and not inconsequential. In consideration of considerable Congressional interest in this matter, it is in the DoD's best interest to ensure not just an adequate administration of the PTA Cooperative Agreement Program, but a superlative one. Perhaps even more importantly, the ultimate benefactors of the PTA Program, America's businesses, particularly smaller ones, will be better served in the end if the program is administered efficiently and effectively.

D. METHODOLOGIES EMPLOYED

Three distinct methodologies were employed during the course of this research effort to examine the questions put forth previously:

1. Visits to the designated DCASR sites during which an audit was conducted of the procedures in place for administering the PTA Program;
2. A survey questionnaire was sent to organizations receiving FY 87 PTA Program matching funds to help in determining the success of the program, and to assess the organizations' views on the effectiveness of the DCASRs' administration of the PTA Cooperative Agreement Program;

3. Visits to two recipient organizations which are part of the FY 87 PTA Cooperative Agreement Program to observe the implementation of the program on the local level.

E. SYNOPSIS OF FINDINGS

The author has found the PTA Cooperative Agreement Program is being well administered by the DCASRs. There are areas which need improvement, particularly in the realm of performance appraisal and review. Further, the author has concluded that DLA Headquarters needs to promulgate more definite administrative procedures to be followed by the DCASRs. There exists no firm guidance to be complied with by all of the DCASRs and, as a result each of them has developed local guidelines. This has resulted in an uneven treatment of the recipient organizations. Finally, there are several initiatives which should be investigated by Congress, not the least of which is a substantial increase in PTA Cooperative Agreement funds, which could lead to a substantial improvement in this beneficial program. Those readers interested in the specific conclusions and recommendations offered in this study by the author are directed to the final chapter, commencing on page 73.

II. BACKGROUND

A. RESEARCH EFFORT RATIONALE

The PTA Cooperative Agreement Program was established to provide non-profit organizations, such as state and local governments, and universities, access to Federal matching funds for the purpose of administering assistance centers which have as their charter the mission of providing information and assistance to businesses in performing transactions with the Federal Government. While not specifically tasked with maintaining a focus on small, disadvantaged, and minority/woman-owned businesses, there is considerable emphasis on this particular factor in the evaluation and selection process for award of the agreements throughout the country.

This study evolved from the desire expressed by the Small Business staff at Defense Logistics Agency (DLA) Headquarters to analyze the success of the PTA Program, and specifically the effectiveness of the Defense Contract Administration Service Regions (DCASR) in administering the Program in their respective regions throughout the United States. The PTA Cooperative Agreement Program has been in existence for three fiscal years (FY 85, 86, and 87), and awards will be made for the FY 88 program by September 30, 1988. Each successive fiscal year has experienced an increase in program funding

levels over the prior year's total. There has been a consequent increase in Congressional interest in the Program, and in the effectiveness of its administration. The DLA desires an unbiased examination of the current state of the Program's administration, and recommendations for improvement in the efficiency of said administration, as well as suggestions for improving the PTA Cooperative Agreement Program as a whole.

B. FOUNDATION OF THE PROGRAM

In an effort to expand the base of assistance programs offered to small businesses interested in contracting with the Federal Government, Congress authorized in the FY 85 Department of Defense Authorization Act an amendment to Title 10, United States Code, adding a Chapter 142. This authorized the Secretary of Defense to enter into cooperative agreements with state and local governments and eligible non-profit organizations to establish procurement technical assistance centers founded for the purpose of assisting small businesses in an advisory and resource capacity in dealing with the Federal Government. As noted in the legislation establishing the Program, Title 10 United States Code, Chapter 142, as amended by Pub. L. 98-525, the Fiscal Year 1985 DoD Authorization Act:

S 2412. Purposes

The purposes of the program authorized by this chapter are

- (1) to increase assistance by the Department of Defense to eligible entities furnishing procurement technical assistance to business entities; and
- (2) to assist eligible entities in the payment of the costs of establishing and carrying out new procurement technical assistance programs and maintaining existing procurement technical assistance programs.

and

S 2413. Cooperative Agreements

(a) The Secretary, in accordance with the provisions of this chapter, may enter into cooperative agreements with eligible entities to carry out the purposes of this chapter.

(b) Under any such cooperative agreement, the eligible entity shall agree to [sponsor programs to]¹ furnish procurement technical assistance to business entities and the Secretary shall agree to defray not more than one-half of the eligible entity's cost of furnishing such assistance [under such programs], except that in the case of [a program sponsored by such an entity that provides services solely in a distressed area], the Secretary may agree to furnish more than one-half, but not more than three-fourths, of such cost [with respect to such program].

(c) In entering into cooperative agreements under subsection (a), the Secretary shall assure that at least one procurement technical assistance program is carried out in each Department of Defense Contract Administration Services Region during each fiscal year.

Chapter 142 defines "Secretary" as the Secretary of Defense acting through the Director of the Defense Logistics Agency. Hence DLA's role as administrator of the program is mandated in law. A distressed area means the area of a unit

¹ Those sections of this quote in brackets indicate amendments made to Chapter 142 by the FY 87 DoD Authorization Act. The changes were of syntax in nature, and did not change the basic philosophy of the Program.

of local government that has a per capita income of 80 percent or less of the State average, or has an unemployment rate that is one percent greater than the national average for the most recent 24-month period for which statistics are available. "Eligible entities" refer to states, local governments, and private non-profit organizations {FY 1987 DoD Authorization Act, P. L. 99-661}. Established in FY 85, Title 10 United States Code as amended continues the program through FY 87.

As in other small business programs sponsored by the DoD, the purpose of the PTA Cooperative Agreement Program is to assist in expanding the industrial base and increase competition for required goods and services. In effect, this Program has forged a pattern of teamwork between programs established at the state and local level and the Federal Government through the auspices of the Defense Logistics Agency under the stewardship of the various DCASRs throughout the United States. This teamwork is born of the matching funds philosophy inherent in the PTA Program. State and local governments, and other non-profit entities, are naturally interested in improving the business climate and general economic and employment conditions of their respective localities. The DoD, as previously stated, has the two-pronged goal of broadening the manufacturing and services base available in the private sector, as well as increasing competition, both purposes aimed towards the

ultimate goal of reducing the cost of maintaining a strong national defense posture. The satisfaction of these mutual interests between the DoD and the eligible entities was the Congress' objective in establishing a cost sharing program for the purpose of assisting in the maintenance of existing procurement technical assistance programs, as well as to encourage the establishment of similar programs by other state and local governments and private non-profit organizations not yet having such programs in their geographic area. {Federal Register: 5483}

C. PROGRAM REQUIREMENTS

As noted in the previous section, the DLA has been tasked with the administration of the PTA Cooperative Agreement Program. Such responsibility was formalized in a Memorandum for the Director of DLA from the Office of the Deputy Secretary of Defense, William H. Taft IV, on 8 February 1985. Although specific guidance to the various DCASRs from DLA Headquarters is not available, there are general responsibilities which are assigned to the DCASRs. Each DCASR is responsible for administering a Presolicitation Conference at a designated location approximately 30 days prior to the solicitation closing date. Evaluation panels are established annually at the DCASRs for the purpose of reviewing proposals submitted in response to the Solicitation for Cooperative Agreement Proposals (SCAP). (Evaluation

criteria is discussed below.) After final approval of recommendations for awards submitted to DLA Headquarters by the DCASR's, each DCASR is responsible for the signing of the Agreements between the director of the respective program and the Associate Director of Small Business at each DCASR.

Routine administration of the Program by the DCSAR's include review of quarterly performance reports submitted by the Program recipients by 20 calendar days after the end of each quarter, and review of annual reports submitted by recipients within 90 days following the final day of an Agreement, results of both reviews to be provided to the award recipient; review of reimbursement requests submitted by recipients to ensure allowability of costs incurred; and availability of resources to provide orientation, training and informational assistance as required by recipients during the initial phases of the Program. Reasonable amounts of government publications will be provided to recipients as available upon request to the respective DCASR.

SCAP's are issued on the basis of expressed interest on the part of eligible entities, as well as to those entities which are recorded in a historical data base established individually by each DCASR. It should be noted that the ultimate agreement signed by the award recipients and the Associate Director of Small Business at each DCASR as the Government's representative are not contracts, and thus are not bound by the precepts set forth in the FAR. Generally

speaking, guidelines for the administration of the Program are found in OMB Circular A-102 (Uniform Administrative Requirements for Grants-In-Aid to State and Local Governments)², and A-110 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations). However, some of the provisions contained in the FAR may be suitable for inclusion in the cooperative agreements with those eligible entities not covered by these two OMB circulars. In those instances, the language of the clauses has been modified to read "cooperative agreement" vice "contract", and "participant" vice "contractor", as appropriate. The Associate Directors of Small Business do not require appointment as contracting officers solely for the purpose of administering the PTA Cooperative Agreement Program. {Federal Register: 5485}

Although the guidelines for the administration of the PTA Cooperative Agreement Program are relatively general in nature, guidance for the award recipients themselves is specific. It will prove useful to review these guidelines in an overview, based on the terms of the Program as set forth in the FY 87 SCAP.

Due to the scattered geographic locations of the eligible entities and diverse economic conditions of the various locations, there exists unique program requirements

² This OMB circular also covers Federally recognized Indian tribal governments.

throughout the United States. Yet there are minimum requirements to be included in any PTA Program to be found eligible for funds. These requirements include:

1. Personnel. These are qualified counselors and advisors to assist business firms regarding DoD procurement policies and procedures as they relate to marketing techniques and strategies, pricing policies and procedures, contract administration, quality assurance, production and manufacturing, financing, subcontracting, bid preparation, and specialized acquisition requirements relating to research and development, construction, and data processing.
2. Marketing Tools. These include such material as will assist business firms to be aware of Federal Government procurement regulations and upcoming Government contracts. These tools should include as a minimum the Commerce Business Daily, the Federal Acquisition Regulation (FAR), the DoD FAR Supplement (DFAR), commodity listings from DoD contracting activities, and Federal and Military Specifications and Standards.
3. Networking. This is the ability to provide assistance throughout the area being serviced by the establishment of remote information sites, or through data links with other organizations with similar missions.
4. Performance Measurement. A system should be in place for the periodic measurement of the organization's effectiveness in areas such as number and type of clients (businesses) served, types of assistance rendered, number of clients added to DoD and other Federal agency bidder's lists, and numbers and values of awards received as a result of assistance rendered by the Program. {SCAP: 16-19}

In structuring a prospective PTA Program, eligible entities should be prepared to describe the basis and rationale for any service fees charged to clients. Further, no organization receiving funds under the PTA Cooperative Agreement Program may charge a commission for services

rendered based on the value of any award received by a client as a result of the services.

Congress authorized \$6 million for the PTA Cooperative Agreement Program in FY 1987, and has authorized \$7,053,375 for FY 88. The odd \$53,375 was added as a separate amendment to the FY 88 DoD Authorization, and earmarked for a specific program. This particular issue will be discussed in Chapter IV this research effort.

For FY 87, 50% of the authorized funds, or \$3,000,000, was to be split between existing programs and new starts on a 75% and 25% basis, respectively. The remaining \$3,000,000 was made available for either existing or new start programs, as appropriate, based on proposal evaluations.

As noted previously, in the case of a PTA program which serves a non-distressed area, the DoD share of total program cost shall not exceed 50%, up to a maximum of \$150,000. A PTA program which serves a distressed area as defined in Title 10 USC, Chapter 142, may receive up to 75% of total program cost, again not to exceed \$150,000. A particular program may serve both distressed and non-distressed areas, and receive an appropriate percentage of program costs based on separate cost sharing breakdowns for the applicable areas, provided total program cost share does not exceed \$150,000.

A change in the FY 88 PTA Program is the inclusion of a clause in the SCAP setting forth a maximum limit of five consecutive years that any one organization could receive PTA

Cooperative Agreement Program matching funds. Additionally, the funds received by the organization would be reduced by 20% each successive year.

As part of an applicant's proposal, an estimated annualized budget must be submitted. This budget may include cash contributions, in-kind contributions (not to exceed 25% of the total budget), other Federal Agency funding, and any fees or other income to be earned as a result of the program. The inclusion of Federal funds in the annualized budget will be allowed only to the extent that the Agency providing such funds has provided written permission allowing such use, or the inclusion of the funds is permitted by the terms of the other award.

In determining the Federal government's share of the program's cost, there are numerous guidelines to be used by a recipient:

1. Allowable costs may not have been previously absorbed by the recipient in its share of costs, or may not have been previously charged to other Federal programs.
2. The cost share or match share may consist of charges incurred by the recipient in administering the program (not necessarily confined to cash outlays - depreciation and rental/lease charges for buildings and equipment are also allowable); program costs financed with cash contributions or donations; and, program costs represented by donated services and real or personal property.
3. All cash and in-kind contributions may be accepted as part of the applicant's matching share provided they are verifiable from the applicant's records; are not included as contributions in any other federally assisted

program; are required to meet the program's objectives; would be accepted as charges under the applicable OMB circular; are not paid by the Federal Government unless authorized as previously stated above; and, are provided for in the submitted annualized budget.

Values of the contributions shall be established at actual costs in accordance with the applicable OMB circulars.

{SCAP: 22-24}

Recipients must maintain records adequate to allow for the audit of the nature and rationale for incurred costs. On an annual basis, state and local entities receiving PTA Cooperative Agreement Program funds must be audited in accordance Title 31 USC, Chapter 75, and OMB Circular A-128. Non-profit entities will be audited annually as required by OMB Circular A-110. The results of these audits must be provided to the applicable DCASR Associate Director of Small Business.

In breaking down the categories of costs incurred, indirect costs may not exceed 100% of direct costs. Allowable costs will be determined based on the Federal cost principles contained in OMB Circulars A-87 (state and local governments and other participants covered by A-102), A-21 (institutions of higher education and other participants covered by A-110), and A-122 for other non-profit participants. {SCAP: 27-28}

D. EVALUATION FACTORS

Since funds are split on a percentage basis between existing programs and new starts, all proposals received as a

result of the SCAP are divided between these two categories.

Additionally, the specific evaluation criteria are, in part, specific to either existing or new programs. The evaluation criteria, listed in order of relative importance and applicability to respective programs, are shown below, along with the information required in each proposal to evaluate each area³:

1. Program development, performance and effectiveness (Existing Programs only) - a description of goals, and how these goals align with stated DoD objectives for the Program; networking techniques to be utilized for serving the stated service area; performance for the past twelve months as measured against previously set goals; a list of marketing tools available; and, a narrative statement of the program's effectiveness.
2. Qualification of Personnel (Existing Programs and New Starts) - a list of professional personnel by name and/or title, and their respective salaries, resumes and percent of time to be spent on the Program; an organization chart depicting where in the organization all personnel are aligned; the program manager's type and level of authority; and, a brief history of the applicant's PTA organization, and a statement as to any organizational changes which have taken place over the past year (existing programs only).
3. Quality of the PTA Program (New Starts only) - a description of goals and objectives, including a statement as to how they will fulfill DoD's stated objective for the Program; networking techniques to be utilized; tools and methodologies being planned; and, implementation procedures and plans for establishing an outreach program to service clients in the stated service area.
4. Number of Clients (Existing Programs and New Starts) - a statement or pictorial description of the geographic area to be serviced; and, a statement of the different types of clients to be served as to size and socioeconomic status, to be categorized by large business, small business, small disadvantaged

³These criteria may change in the FY88 SCAP

business, small woman-owned business, and the number of these clients in Labor Surplus areas.

5. Costs to be shared by DoD (Existing Programs and New Starts) - not to exceed 50% for non-distressed areas, and 75% for distressed areas, not to exceed \$150,000 for any one program. This factor must be evaluated due to the limitations of funds for the PTA Cooperative Agreement Program.

6. Level of Unemployment (Existing Programs and New Starts) - number of labor areas within the service area; number of labor areas identified as being part of a solely distressed area, supported by trend data for rates of unemployment for the previous two years as determined by Department of Labor statistics; and, an overall summary of the unemployment rate in the total area.

7. Subcontracting (Existing Programs and New Starts) - As assistance is available from various Small Business Offices throughout the DoD system, private consulting services should not be required to any great degree. Consequently, the less subcontracting is required, the greater the weight to be assigned to this particular criterion. In no event will the subcontracting cost total more than 10% of the total program cost.

(SCAP: 29-36)

An Evaluation Panel is established at the DCASR level for the purpose of evaluating all proposals received in a timely manner. This panel consists of, at a minimum, a small business specialist, contract management specialist, and a representative of the comptroller's office. The DCASR Commander does have the discretion to appoint other personnel as is deemed appropriate, but in no case will the Associate Director of Small Business serve on the panel. Further, a representative from the Office of Counsel shall serve in advisory capacity as a non-voting member.

Upon the determination by the panel that the proposals contain are responsive to the SCAP and contain the necessary

information to properly evaluate the proposals submitted, a comprehensive process shall commence. The initial "qualifying" evaluation shall determine whether those proposals which designate the program as serving a distressed area actually qualify for the 75% funding level. If supporting documentation does not uphold such a funding level, then the proposal will be disqualified from further evaluation.

Detailed evaluations shall accomplish two purposes:

1. To ensure a ranking of the applicants based on the weights assigned by the Evaluation panel for the evaluation factors previously stated; and,
2. For the Associate Director of Small Business to determine whether sufficient funds have been allocated to cover the DoD share of costs.

Upon completion of the Evaluation Panel's review of the proposals, the results and recommendations of the panel are forwarded by the Associate Director of Small Business to DLA Headquarters at Cameron Station for review and fund allocation recommendation.

The Policy Council at DLAHQ consists of representatives from the Office of General Council, Contracting, Comptroller, Congressional Affairs, and Small Business. The Council Chairman is designated to be the Staff Director, Office of Small and Disadvantaged Business. The Policy Council reviews the recommendations of the various DCASRs' Evaluation Panels, and ensures a minimum of one award is made to each of the nine DCASRs throughout the country. In the event that two programs overlap in areas served, the Policy Council may

recommend award be made to the program receiving the highest number of evaluation points. Discussions may be held to reduce duplicate coverage, and the Government retains the right to make any or no award as is deemed fit. Should any DCASR not receive enough satisfactory proposals to effectively utilize the funds for either existing programs or new starts, the funds will be re-allocated to the remaining - `SRs.

After the Policy Council's review process is complete, the results are returned to the DCASR Commanders for their approval. The Agreements are then executed by the respective Associate Directors of Small Business at each DCASR.

{SCAP: 37-41}

III. VISIT/SURVEY FINDINGS

A. OVERVIEW

Each Associate Director of Small Business (Associate Director) is responsible for the various PTA Programs in the particular geographic region served by the DCASR in which the Associate Director is attached. The general administrative requirements incumbent on each DCASR as set forth in the procedures in the SCAP are consistent throughout the United States. However, due to a lack of specific guidance from DLA Headquarters, each Associate Director has used their own discretion in establishing has certain administrative procedures which are unique to each of the regions. The author visited four DCASR sites in the course of his research: Dallas, St. Louis, Philadelphia, and Cleveland. The purpose of the visits was three-fold:

1. To check the consistency of application of the prescribed procedures as set forth in the SCAP;
2. To note any unique procedures peculiar to the individual DCASRs, and how these procedures may be utilized by other regions; and,
3. If possible, to visit a PTA Program being administered by the particular DCASR in order to get a feel for the manner in which the Program was being implemented at that level.

It proved possible to visit only two recipient sites (in St. Louis and Philadelphia). This constraint was not considered to have a major impact on this study since the major thrust

was to examine the administration of the PTA Cooperative Agreement Program at the DCASR level.

In addition to the visits to the previously mentioned DCASR sites, a survey was sent to each of the administrators of the PTA Program recipient sites. The primary intention of the survey was to gauge the recipients' views on the effectiveness of the Program administrative procedures as currently structured. As a secondary motive, the survey served to solicit recommendations for improvement of the Program's administration, and requested comments and suggestions on the PTA Cooperative Agreement Program in general. Of the 61 surveys mailed to recipients, 47 were returned, representing a return rate of 77%. This represents a return rate which is far in excess of an acceptable rate of 15%-20% to assure survey validity.

B. DCASR ADMINISTRATIVE COMMONALITIES

Each of the four DCASRs visited had established a system for actively administering the PTA Program. The Associate Directors of Small Business were very knowledgeable of the Program requirements, and were actively involved in the day-to-day operations of the Program's administration.

1. Mailing of the SCAP

In each instance SCAPs were mailed to potential awardees in a timely manner, and notice of the Presolicitation Conference for the respective regions was

placed in the cover letter included with the SCAP packages. Each DCASR has maintained a data base upon which to draw for the SCAP mailing list. This data base is founded on a register of potential awardees originally drawn from information provided by various states' agencies in the Program's first year. The lists has been expanded and modified each Program year through additions based on interest expressed as a result of announcements in the Federal Register and Commerce Business Daily, and deletions based on non-return of SCAPs from organizations which have no obvious interest in the PTA Program. The following figures represent the number of SCAPs mailed out by each of the four DCASRs visited:

Dallas - 124¹

St. Louis - 14

Philadelphia - 76

Cleveland - 107²

Coincidental with the mailings to potential awardees, copies of the SCAP were provided to Congressional offices which expressed an interest in receiving a copy. In the case of DCASR Dallas, every Congressional District office in that region was provided a copy.

¹Includes mailings to 49 Congressional Offices

²Includes mailings to 14 Congressional Offices

2. Presolicitation Conference

Presolicitation conferences were held at the DCASRs in accordance with the precepts in the SCAP. A general description of the Program was presented at each of the conferences, and clarification was offered for any confusing issues. Attendance at the individual conferences by potential awardees varied greatly, as noted below:

Dallas - 17

St. Louis - 16

Philadelphia - 25

Cleveland - 44

The disparity may in part be explained by the number of solicitations mailed out from each of the DCASRs, and by the distances from each of the organizations' locations and the sites of the individual conferences.

3. Evaluation Process

The evaluation process in each instance was handled in accordance with the procedures as set forth in the SCAP. The Evaluation Panels at each of the DCASRs consisted of at a minimum a small business specialist, a representative from the comptroller's office, and a contract specialist. Each region's Office of General Counsel was represented by a non-voting member of the panel. Each DCASR's final selections were forwarded to DLA Headquarters for review and definitive recommendation, and returned without any appreciable changes being set forth. The exception to this was a situation in

the Philadelphia region in which an organization was found ineligible due to a mistakenly reported distressed area status. Allowance was made for this error, the proposal corrected accordingly, and award subsequently made to the program in question.

4. Quarterly Reports

A review of past years' Program files at each of the DCASRs showed that quarterly reports were received for all recipients in the FY 86 Program, with the exception of one program in the St. Louis region. The author visited this particular recipient site (a recipient of FY 87 Program funds. i.e. an existing program) and was informed by the program's director that the fourth quarter and final reports for the FY 86 PTA Program were being prepared and would be forthcoming.

5. Payment Procedures

All payment requests received from Program participants as of the date of the author's visit to the respective DCASRs had been processed in an efficient manner. It appeared each DCASR Small Business office had carefully reviewed all reimbursement requests for allowability of costs as outlined in the SCAP and the OMB Circular applicable to the particular organization requesting payment.

6. Administrative Guidance

In each office visited there did not exist any locally established procedures for administering the Program.

The primary administrative guidance document in each case was the SCAP. At the time of the visits this was the most definitive written direction available from DLAHQ.

C. DCASR ADMINISTRATIVE DIFFERENCES

In the visits to the various DCASR offices of small and disadvantaged business, the author noted numerous differences in procedures to administer the PTA Cooperative Agreement Program. One may argue that some of these differences were of such an insignificant nature not to warrant notice. Others of the inconsistencies were substantial in origin, and had a significant impact on the particular DCASR's style and effectiveness of administering the PTA Program. In sum, however, the differences, both large and small, were considerable enough to have a notable impact on the overall Program. The purpose in this section will be to present the differences noted between the DCASRs, and in the following chapter to analyze the potential impact these differences may have on the Program.

1. Staffing

The most striking difference, and in the final analysis perhaps the most noteworthy, was in the level of staffing in each of the offices, as noted:

a. DCASR Dallas

Associate Director of Small Business

3 Small Business Specialists

1 Secretary

1 Clerk Typist
6 total staff

b. DCASR St. Louis

Associate Director of Small Business

1 Secretary
2 total staff

c. DCASR Philadelphia

Associate Director of Small Business

1 Small Business Specialist

1 Secretary
3 total staff

d. DCASR Cleveland

Associate Director of Small Business

2 Small Business Specialists

1 Secretary
4 total staff

It should be noted that the higher staffing level at DCASR Dallas is a direct result of that particular office absorbing the functions of the Small Business office of the Defense Contract Administration Services Management Area (DCASMA) Dallas.

In each instance, the Associate Director of Small Business maintained responsibility for the oversight role of the Program's administration in the respective regions.

However, the charge of running the day-to-day routine of the PTA Program varied from DCASR to DCASR. In the case of Dallas, there was one primary point of contact in the form of one of the staff small business specialists, although each of the small business specialists, including the Associate Director of Small Business, was available to lend assistance as required. DCASR Cleveland had assigned one of its two small business specialists on a full time basis to manage the daily operations of the PTA Cooperative Agreement Program in that region. This particular arrangement was due mostly in part to the number of awards in the Cleveland region (15). In both St. Louis and Philadelphia, the Associate Director of Small Business maintained control over the routine tasks of managing the Program on a daily basis. In no instance were staffing levels increased as a result of the added requirement to administer the PTA Cooperative Agreement Program in each of the regions.

2. Mailing of the SCAP

As regards the mailing of the SCAP to interested parties, although each DCASR visited sent a copy to Congressional offices which expressed an interest in receiving a copy of the solicitation, DCASR Dallas is the only office to automatically send one to every Congressional District office in the region.

3. Presolicitation Conference

The Presolicitation Conference was announced in each of the regions in the cover letter sent over the SCAP, and in each case, with the exception of St. Louis, all the conferences were held at DCASR headquarters. St. Louis held the Presolicitation Conference at three DCASMA's in the region. This particular arrangement was required due to the geographical dispersity of the potential eligible entities in the St. Louis region, and due to the size of that region. Such an arrangement is allowable under the precepts of the SCAP, which states the Presolicitation Conference is to be held at a site chosen by the respective DCASR.

4. Evaluation Process

The evaluation process at each the DCASRs visited was in line with the procedures promulgated by DLAHQ. However, each office utilized varying degrees of automated assistance to tabulate and summarize the panel members' various marks in the individual evaluation areas. Dallas appeared to use the most computer assistance, and Cleveland did not seem to use any automated aids to a great extent. St. Louis and Philadelphia utilized varying degrees of computer support in tabulating the evaluation results.

5. Award Notification

In each instance after final awardees were determined, the Congressional district office which had cognizance over the areas where the awardees were located

were notified prior to a public announcement being made. After this was done, the individual DCASRs notified the recipients via telephone and written correspondence. DCASR Cleveland also followed up with the non-awardees in a letter describing the possible reasons for failing to be selected to receive PTA funding.

6. Signing Ceremony

The Associate Director of Small Business at DCASR Dallas attended a signing ceremony of the PTA Cooperative Agreements at each of the recipient sites. Various of the signing ceremonies in the Philadelphia and Cleveland regions had representatives from the DCASR Small Business offices present. The St. Louis office requested each of the recipients in that region sign the agreement and return it via mail to the DCASR.

7. Post Award Conference

Post award conferences are held for the purpose of reviewing the requirements of the PTA Program as contained in the Cooperative Agreements signed by the directors of the various PTA organizations and the Associate Director of Small Business in the region. Records of post award conferences were available for each of the recipient sites in the Dallas region. Cleveland sponsored post award conferences for the new start programs in that region, and in the St. Louis region two of the conferences were held by DCASMAs. DCASR

Philadelphia had no record of holding any post award conferences in that region.

8. Quarterly Reports

Quarterly reporting deadlines as delineated in the Cooperative Agreements in the Dallas and Cleveland regions were out of line with the guidance promulgated in the SCAP. The agreements signed in the Dallas and Cleveland regions specified a deadline of 30 days after the end of a quarter as the date the quarterly progress reports were due from the PTA recipients, and the deadline as promulgated in the SCAP is 20 days after the end of the quarter. The reason for this discrepancy stems from two separate sample agreements sent to the DCASRs by DLAHQ. One of the samples, forwarded in July 1987, noted a deadline date of 30 days after the end of the quarter, and the second sample, mailed in August 1987 from DLAHQ, had the correct deadline of 20 days after the end of the quarter.

9. Effective Dates of Cooperative Agreements

The effective dates of the agreements varied from region to region. There did not exist any specific guidance from DLAHQ as regards the appropriate effective dates, consequently the individual DCASR Associate Directors of Small Business used their own discretion in establishing effective dates.

D. SURVEY OVERVIEW

The next step in analyzing the effectiveness of the DCASRs' administration of the PTA Cooperative Agreement Program was to analyze the results of the surveys returned from those recipient organizations who completed and returned the survey to the author.

A copy of the PTA Cooperative Agreement Program Recipient Opinion Survey, as it was entitled, and the accompanying cover letter are included as Appendix A. This survey was constructed using a computer program entitled the Organizational Universe Survey System, created by John E. Jones, Ph.D., and William L. Bearley, Ed.D. The program has been specifically tailored for use in the Administrative Sciences Department of the Naval Postgraduate School. The PTA Cooperative Agreement Program Recipient Opinion Survey was designed to solicit feedback from the recipients in seven areas, four areas concerning the DCASRs' administration of the PTA Program, and three areas dealing with the overall Program. The four areas dealing with the DCASRs were:

1. Availability of assistance to the Recipients from DCASR
2. Performance Feedback from the DCASR to the recipient
3. Level of communication effectiveness by DCASR
4. Overall effectiveness of Program administration by DCASR

The PTA Cooperative Agreement Program areas were:

1. Clarity of structure of the PTA Program

2. Utility of established goals in the Program
3. Overall effectiveness of the established goals of the PTA Program

The questions for each of these areas were spread throughout the survey so as to help ensure validity and consistency of the responses.

For each of the responses (with the exception of demographic questions dealing with the age, size, and location of the recipients) there was a sliding scale, as follows:

- 1 = To little or no degree
- 2 = To a slight degree
- 3 = To some degree
- 4 = To a moderate degree
- 5 = To a considerable degree
- 6 = To a great degree
- 7 = To a very great degree

The questions pertaining to each of the areas, as well as demographic items, and the statistical summary of the responses follow in Table 1. Chapter IV will discuss the implications of the responses.

TABLE 1--STATISTICAL SUMMARY OF SURVEY QUESTION RESPONSES

Availability of Assistance to the Recipients from DCASR

Question 13: To what degree is effective ombudsmanship practiced in the PTA Cooperative Agreement Program?

| <u>Response Freq.</u> | | <u>Percent of Total Response</u> |
|-----------------------|----|----------------------------------|
| 1 | 1 | * (2.38%) |
| 2 | 1 | * (2.38%) |
| 3 | 1 | * (2.38%) |
| 4 | 7 | ***** (16.67%) |
| 5 | 7 | ***** (16.67%) |
| 6 | 17 | ***** (40.48%) |
| 7 | 8 | ***** (19.05%) |
| Total=42 | | |

Mean = 5.40 Standard Deviation = 1.38 No responses = 5

Question 17: To what degree does the PTA Cooperative Agreement Program provide adequate mentorship?

| <u>Response Freq.</u> | | <u>Percent of Total Response</u> |
|-----------------------|----|----------------------------------|
| 1 | 4 | **** (8.70%) |
| 2 | 3 | **** (6.52%) |
| 3 | 3 | **** (6.52%) |
| 4 | 8 | ***** (17.39%) |
| 5 | 12 | ***** (26.09%) |
| 6 | 10 | ***** (21.74%) |
| 7 | 6 | ***** (13.04%) |
| Total=46 | | |

Mean = 4.63 Standard Deviation = 1.76 No responses = 1

Question 25: To what degree does DCASR assist you in developing higher levels of readiness for providing assistance to the small business sector?

| <u>Response Freq.</u> | | <u>Percent of Total Response</u> |
|-----------------------|----|----------------------------------|
| 1 | 2 | ** (4.35%) |
| 2 | 3 | **** (6.52%) |
| 3 | 6 | ***** (13.04%) |
| 4 | 6 | ***** (13.04%) |
| 5 | 6 | ***** (13.04%) |
| 6 | 10 | ***** (21.74%) |
| 7 | 13 | ***** (28.26%) |
| Total=46 | | |

Mean = 5.02 Standard Deviation = 1.83 No responses = 1

Question 32: To what degree does DCASR make available its internal experts as consultants?

| <u>Response</u> | <u>Freq.</u> | Percent of Total Response | | | | | | |
|-----------------|--------------|---------------------------|---------|----------|----------|----------|-------|-------|
| | |10... | 20... | 30... | 40... | 50... | 60... | 70... |
| 1 | 2 | ** | (4.26%) | | | | | |
| 2 | 2 | ** | (4.26%) | | | | | |
| 3 | 4 | ***** | (8.51%) | | | | | |
| 4 | 8 | ***** | ***** | (17.02%) | | | | |
| 5 | 9 | ***** | ***** | ***** | (19.15%) | | | |
| 6 | 8 | ***** | ***** | ***** | (17.02%) | | | |
| 7 | 14 | ***** | ***** | ***** | ***** | (29.79%) | | |
| Total=47 | | | | | | | | |

Mean = 5.13 Standard Deviation = 1.73 No responses = 0

Performance Feedback from the DCASR to the Recipient

Question 1: To what degree are there reasonable performance-appraisal guidelines in the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | Percent of Total Response | | | | | | |
|-----------------|--------------|---------------------------|---------|-------|----------|----------|-------|-------|
| | |10... | 20... | 30... | 40... | 50... | 60... | 70... |
| 1 | 0 | | | | | | | |
| 2 | 1 | * | (2.17%) | | | | | |
| 3 | 2 | ** | (4.35%) | | | | | |
| 4 | 11 | ***** | ***** | ***** | (23.91%) | | | |
| 5 | 16 | ***** | ***** | ***** | ***** | (34.78%) | | |
| 6 | 8 | ***** | ***** | ***** | (17.39%) | | | |
| 7 | 8 | ***** | ***** | ***** | (17.39%) | | | |
| Total=46 | | | | | | | | |

Mean = 5.13 Standard Deviation = 1.22 No responses = 1

Question 9: To what degree do you understand how your work will be evaluated?

| <u>Response</u> | <u>Freq.</u> | Percent of Total Response | | | | | | |
|-----------------|--------------|---------------------------|----------|----------|----------|-------|-------|-------|
| | |10... | 20... | 30... | 40... | 50... | 60... | 70... |
| 1 | 0 | | | | | | | |
| 2 | 1 | * | (2.13%) | | | | | |
| 3 | 5 | ***** | (10.64%) | | | | | |
| 4 | 8 | ***** | ***** | (17.02%) | | | | |
| 5 | 12 | ***** | ***** | ***** | (25.53%) | | | |
| 6 | 11 | ***** | ***** | ***** | (23.40%) | | | |
| 7 | 10 | ***** | ***** | ***** | (21.28%) | | | |
| Total=47 | | | | | | | | |

Mean = 5.21 Standard Deviation = 1.37 No responses = 0

Question 10: To what degree is the performance-review system effective in the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 1 | * (2.33%) |
| 3 | 5 | ***** (11.63%) |
| 4 | 13 | ***** (30.23%) |
| 5 | 7 | ***** (16.28%) |
| 6 | 6 | ***** (13.95%) |
| 7 | 11 | ***** (25.58%) |
| <u>Total=43</u> | | |

Mean = 5.05 Standard Deviation = 1.38 No responses = 4

Question 15: To what degree does DCASR provide guidance for improvement?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 4 | ***** (9.30%) |
| 3 | 5 | ***** (11.63%) |
| 4 | 7 | ***** (16.28%) |
| 5 | 6 | ***** (13.95%) |
| 6 | 9 | ***** (20.93%) |
| 7 | 12 | ***** (27.91%) |
| <u>Total=43</u> | | |

Mean = 5.09 Standard Deviation = 1.69 No responses = 4

Question 26: To what degree do you receive adequate feedback on the outcomes of your job performance?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 2 | *** (4.55%) |
| 3 | 5 | ***** (11.36%) |
| 4 | 12 | ***** (27.27%) |
| 5 | 12 | ***** (27.27%) |
| 6 | 7 | ***** (15.91%) |
| 7 | 6 | ***** (13.64%) |
| <u>Total=44</u> | | |

Mean = 4.80 Standard Deviation = 1.36 No responses = 3

Question 27: To what degree is goal setting an integral part of the performance-appraisal process in the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 4 | ***** (9.30%) |
| 3 | 2 | *** (4.65%) |
| 4 | 5 | ***** (11.63%) |
| 5 | 10 | ***** (23.26%) |
| 6 | 14 | ***** (32.56%) |
| 7 | 8 | ***** (18.60%) |
| Total=43 | | |

Mean = 5.21 Standard Deviation = 1.49 No responses = 4

Question 34: To what degree does DCASR provide both constructive criticism and positive feedback in your performance review?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 2 | *** (5.00%) |
| 3 | 4 | ***** (10.00%) |
| 4 | 6 | ***** (15.00%) |
| 5 | 10 | ***** (25.00%) |
| 6 | 9 | ***** (22.50%) |
| 7 | 9 | ***** (22.50%) |
| Total=40 | | |

Mean = 5.18 Standard Deviation = 1.47 No responses = 7

Question 37: To what degree do you and DCASR discuss your organization's performance at regular intervals?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 3 | **** (6.52%) |
| 3 | 6 | ***** (13.04%) |
| 4 | 12 | ***** (26.09%) |
| 5 | 5 | **** (10.87%) |
| 6 | 8 | ***** (17.39%) |
| 7 | 12 | ***** (26.09%) |
| Total=46 | | |

Mean = 4.98 Standard Deviation = 1.63 No responses = 1

Level of Communication Effectiveness by DCASR

Question 2: To what degree is the downward flow of information in the PTA Cooperative Agreement Program efficient?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 0 | |
| 3 | 10 | ***** (21.74%) |
| 4 | 8 | ***** (17.39%) |
| 5 | 13 | ***** (28.26%) |
| 6 | 10 | ***** (21.74%) |
| 7 | 5 | ***** (10.87%) |
| <u>Total=46</u> | | |

Mean = 4.83 Standard Deviation = 1.30 No responses = 1

Question 4: To what degree do you understand the lines of authority in the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 0 | |
| 3 | 3 | *** (6.38%) |
| 4 | 6 | ***** (12.77%) |
| 5 | 7 | ***** (14.89%) |
| 6 | 14 | ***** (29.79%) |
| 7 | 17 | ***** (36.17%) |
| <u>Total=47</u> | | |

Mean = 5.77 Standard Deviation = 1.25 No responses = 0

Question 5: To what degree are you clear about whom you report to?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 0 | |
| 3 | 0 | |
| 4 | 1 | * (2.13%) |
| 5 | 3 | *** (6.38%) |
| 6 | 11 | ***** (23.40%) |
| 7 | 32 | ***** (68.09%) |
| <u>Total=47</u> | | |

Mean = 6.57 Standard Deviation = 0.71 No responses = 0

Question 20: To what degree do you feel that you can make an appeal if you believe you have been treated unfairly by DCASR?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 1 | * (2.17%) |
| 3 | 3 | **** (6.52%) |
| 4 | 3 | **** (6.52%) |
| 5 | 14 | ***** (30.43%) |
| 6 | 11 | ***** (23.91%) |
| 7 | 14 | ***** (30.43%) |
| Total=46 | | |

Mean = 5.59 Standard Deviation = 1.29 No responses = 1

Question 30: To what degree is DCASR open about your potential future prospects in the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 5 | ***** (11.36%) |
| 2 | 5 | ***** (11.36%) |
| 3 | 4 | **** (9.09%) |
| 4 | 8 | ***** (18.18%) |
| 5 | 12 | ***** (27.27%) |
| 6 | 5 | ***** (11.36%) |
| 7 | 5 | ***** (11.36%) |
| Total=44 | | |

Mean = 4.18 Standard Deviation = 1.83 No responses = 3

Question 33: To what degree do you understand the performance-appraisal process in the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 1 | * (2.22%) |
| 3 | 7 | ***** (15.56%) |
| 4 | 9 | ***** (20.00%) |
| 5 | 11 | ***** (24.44%) |
| 6 | 8 | ***** (17.78%) |
| 7 | 9 | ***** (20.00%) |
| Total=45 | | |

Mean = 5.00 Standard Deviation = 1.43 No responses = 2

Question 35: To what degree do you feel free to suggest changes in how you are managed?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 3 | ***** (6.67%) |
| 2 | 3 | ***** (6.67%) |
| 3 | 2 | ** (4.44%) |
| 4 | 9 | ***** (20.00%) |
| 5 | 6 | ***** (13.33%) |
| 6 | 15 | ***** (33.33%) |
| 7 | 7 | ***** (15.56%) |
| <u>Total=45</u> | | |

Mean = 4.89 Standard Deviation = 1.75 No responses = 2

Question 36: To what degree are you able to influence goals set during your performance-appraisal interview?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 4 | ***** (10.00%) |
| 2 | 1 | ** (2.50%) |
| 3 | 3 | **** (7.50%) |
| 4 | 7 | ***** (17.50%) |
| 5 | 10 | ***** (25.00%) |
| 6 | 7 | ***** (17.50%) |
| 7 | 8 | ***** (20.00%) |
| <u>Total=40</u> | | |

Mean = 4.78 Standard Deviation = 1.82 No responses = 7

Overall Effectiveness of Program Administration by DCASR

Question 6: To what degree do you believe that the PTA Cooperative Agreement Program is overly bureaucratic? (Note: Negative Item - Scale reversed for comparison)

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 1 | * (2.13%) |
| 3 | 5 | ***** (10.64%) |
| 4 | 6 | ***** (12.77%) |
| 5 | 13 | ***** (27.66%) |
| 6 | 12 | ***** (25.53%) |
| 7 | 10 | ***** (21.28%) |
| <u>Total=47</u> | | |

Mean = 5.28 Standard Deviation = 1.35 No responses = 0

Question 11: To what degree does the PTA Cooperative Agreement Program hold individuals accountable for being productive?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 2 | ** (4.26%) |
| 2 | 2 | ** (4.26%) |
| 3 | 6 | ***** (12.77%) |
| 4 | 7 | ***** (14.89%) |
| 5 | 15 | ***** (31.91%) |
| 6 | 8 | ***** (17.02%) |
| 7 | 7 | ***** (14.89%) |
| Total=47 | | |

Mean = 4.77 Standard Deviation = 1.58 No responses = 0

Question 14: To what degree is the review of your performance conducted in an honest manner?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 0 | |
| 3 | 1 | * (2.44%) |
| 4 | 2 | *** (4.88%) |
| 5 | 8 | ***** (19.51%) |
| 6 | 12 | ***** (29.27%) |
| 7 | 18 | ***** (43.90%) |
| Total=41 | | |

Mean = 6.07 Standard Deviation = 1.03 No responses = 6

Question 18: To what degree is there appropriate centralization in the administration of the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 1 | * (2.17%) |
| 3 | 2 | ** (4.35%) |
| 4 | 9 | ***** (19.57%) |
| 5 | 10 | ***** (21.74%) |
| 6 | 15 | ***** (32.61%) |
| 7 | 9 | ***** (19.57%) |
| Total=46 | | |

Mean = 5.37 Standard Deviation = 1.25 No responses = 1

Question 24: To what degree do you feel confidence in DCASR's ability to administer the PTA Cooperative Agreement Program?

| Response | Freq. | Percent of Total Response |
|----------|-------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 0 | |
| 3 | 2 | ** (4.26%) |
| 4 | 5 | ***** (10.64%) |
| 5 | 10 | ***** (21.28%) |
| 6 | 12 | ***** (25.53%) |
| 7 | 18 | ***** (38.30%) |
| Total=47 | | |

Mean = 5.83 Standard Deviation = 1.19 No responses = 0

PTA Cooperative Agreement Program Clarity of Structure

Question 3: To what degree do you understand the priorities of the PTA Cooperative Agreement Program?

| Response | Freq. | Percent of Total Response |
|----------|-------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 0 | |
| 3 | 2 | ** (4.26%) |
| 4 | 2 | ** (4.26%) |
| 5 | 7 | ***** (14.89%) |
| 6 | 15 | ***** (31.91%) |
| 7 | 21 | ***** (44.68%) |
| Total=47 | | |

Mean = 6.09 Standard Deviation = 1.08 No responses = 0

Question 16: To what degree do you understand the central purpose of the PTA Cooperative Agreement Program?

| Response | Freq. | Percent of Total Response |
|----------|-------|---|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 0 | |
| 3 | 0 | |
| 4 | 3 | *** (6.38%) |
| 5 | 7 | ***** (14.89%) |
| 6 | 19 | ***** (40.43%) |
| 7 | 18 | ***** (38.30%) |
| Total=47 | | |

Mean = 6.11 Standard Deviation = .89 No responses = 0

Question 23: To what degree are the goals and objectives of the PTA Cooperative Agreement Program clearly explained?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 1 | * (2.13%) |
| 3 | 0 | |
| 4 | 7 | ***** (14.89%) |
| 5 | 11 | ***** (23.40%) |
| 6 | 15 | ***** (31.91%) |
| 7 | 13 | ***** (27.66%) |
| <u>Total=47</u> | | |

Mean = 5.66 Standard Deviation = 1.17 No responses = 0

Question 28: To what degree does the PTA Cooperative Agreement Program seem logically organized?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 1 | * (2.17%) |
| 2 | 0 | |
| 3 | 3 | *** (6.52%) |
| 4 | 9 | ***** (19.57%) |
| 5 | 13 | ***** (28.26%) |
| 6 | 13 | ***** (28.26%) |
| 7 | 7 | ***** (15.22%) |
| <u>Total=46</u> | | |

Mean = 5.17 Standard Deviation = 1.30 No responses = 1

Utility of Established Goals in the PTA Cooperative Agreement Program

Question 7: To what degree do you understand the long-term goals of the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 0 | |
| 3 | 0 | |
| 4 | 4 | *** (8.51%) |
| 5 | 5 | *** (10.64%) |
| 6 | 18 | ***** (38.30%) |
| 7 | 20 | ***** (42.55%) |
| <u>Total=47</u> | | |

Mean = 6.15 Standard Deviation = .93 No responses = 0

Question 12: To what degree are the goals and objectives of the PTA Cooperative Agreement Program reasonable?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|--|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 0 | |
| 3 | 2 | ** (4.35%) |
| 4 | 4 | ***** (8.70%) |
| 5 | 13 | ***** (28.26%) |
| 6 | 15 | ***** (32.61%) |
| 7 | 12 | ***** (26.09%) |
| Total=46 | | |

Mean = 5.67 Standard Deviation = 1.10 No responses = 1

Question 21: To what degree do you understand the policies of the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 1 | * (2.13%) |
| 2 | 1 | * (2.13%) |
| 3 | 3 | *** (6.38%) |
| 4 | 4 | ***** (8.51%) |
| 5 | 9 | ***** (19.15%) |
| 6 | 15 | ***** (31.91%) |
| 7 | 14 | ***** (29.79%) |
| Total=47 | | |

Mean = 5.55 Standard Deviation = 1.46 No responses = 0

Question 22: To what degree does the PTA Cooperative Agreement Program have goals and objectives that are clear?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|--|
| 1 | 0 |10...20...30...40...50...60...70...80 |
| 2 | 2 | ** (4.26%) |
| 3 | 1 | * (2.13%) |
| 4 | 4 | ***** (8.51%) |
| 5 | 12 | ***** (25.53%) |
| 6 | 14 | ***** (29.79%) |
| 7 | 14 | ***** (29.79%) |
| Total=47 | | |

Mean = 5.64 Standard Deviation = 1.29 No responses = 0

Question 36: To what degree has the PTA Cooperative Agreement Program, as presently structured, been of assistance in furthering the goals of your organization?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 0 | |
| 3 | 2 | ** (4.26%) |
| 4 | 4 | ***** (8.51%) |
| 5 | 8 | ***** (17.02%) |
| 6 | 14 | ***** (29.79%) |
| 7 | 19 | ***** (40.43%) |
| Total=47 | | |

Mean = 5.94 Standard Deviation = 1.15 No responses = 0

Overall Effectiveness of the Established Goals of the PTA Cooperative Agreement Program

Question 8: To what degree does the PTA Cooperative Agreement Program have standards for effective performance?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 1 | * (2.17%) |
| 3 | 4 | ***** (8.70%) |
| 4 | 9 | ***** (19.57%) |
| 5 | 12 | ***** (26.09%) |
| 6 | 10 | ***** (21.74%) |
| 7 | 10 | ***** (21.74%) |
| Total=46 | | |

Mean = 5.22 Standard Deviation = 1.35 No responses = 1

Question 19: To what degree are you satisfied with the procedure for reporting the expenditure of program funds as required by the PTA Cooperative Agreement Program?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | |
| 2 | 1 | * (2.17%) |
| 3 | 3 | *** (6.52%) |
| 4 | 7 | ***** (15.22%) |
| 5 | 8 | ***** (17.39%) |
| 6 | 16 | ***** (34.78%) |
| 7 | 11 | ***** (23.91%) |
| Total=46 | | |

Mean = 5.48 Standard Deviation = 1.31 No responses = 1

Question 29: To what degree is the PTA Cooperative Agreement Program's performance-review system useful to you?

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 1 | * (2.38%) |
| 2 | 2 | *** (4.76%) |
| 3 | 3 | **** (7.14%) |
| 4 | 12 | ***** (28.57%) |
| 5 | 10 | ***** (23.81%) |
| 6 | 8 | ***** (19.05%) |
| 7 | 6 | ***** (14.29%) |
| Total=42 | | |

Mean = 4.81 Standard Deviation = 1.47 No responses = 5

Question 31: To what degree does the PTA Cooperative Agreement Program appear to be disorganized? (Note: Negative Item - Scale reversed for comparison)

| <u>Response</u> | <u>Freq.</u> | <u>Percent of Total Response</u> |
|-----------------|--------------|----------------------------------|
| 1 | 0 | (0%) |
| 2 | 2 | ** (4.35%) |
| 3 | 3 | **** (6.52%) |
| 4 | 4 | ***** (8.70%) |
| 5 | 6 | ***** (13.04%) |
| 6 | 12 | ***** (26.09%) |
| 7 | 19 | ***** (41.30%) |
| Total=46 | | |

Mean = 5.74 Standard Deviation = 1.47 No responses = 1

Results of Demographic Questions

Question 39: How long has your organization existed for the purpose of lending assistance to small businesses in dealing with the Federal Government?

| <u>Response</u> | <u>Frequency</u> |
|----------------------|------------------|
| 1 = Less than 1 year | 4 |
| 2 = 1-3 years | 24 |
| 3 = 3-5 years | 10 |
| 4 = 5-10 years | 6 |
| 5 = Over 10 years | 3 |
| Total = | 47 |

Question 40: Approximately how many small businesses have been assisted by your organization this fiscal year (since 1 October 1987)?

| <u>Response</u> | <u>Frequency</u> |
|-----------------|------------------|
| 1 = 0-25 | 1 |
| 2 = 25-50 | 9 |
| 3 = 50-100 | 8 |
| 4 = Over 100 | 29 |
| Total = | <u>47</u> |

Question 41: If a recipient in prior years of PTA Cooperative Agreement funds, to how many small businesses did you lend assistance last year?

| <u>Response</u> | <u>Frequency</u> |
|------------------------------------|------------------|
| 1 = 0-100 | 4 |
| 2 = 101-150 | 6 |
| 3 = 151-250 | 4 |
| 4 = 251-500 | 12 |
| 5 = 501-1000 | 2 |
| 6 = Over 1000 | 7 |
| 7 = N/A - not a previous recipient | 9 |
| Total = | <u>44</u> |

Question 45: To which of the following DCASRs does your organization report to for administrative purposes?

| <u>Response</u> | <u>Frequency</u> |
|------------------------|------------------|
| 1 = DCASR New York | 4 |
| 2 = DCASR Philadelphia | 6 |
| 3 = DCASR Atlanta | 4 |
| 4 = DCASR Chicago | 2 |
| 5 = DCASR Cleveland | 12 |
| 6 = DCASR St. Louis | 5 |
| 7 = DCASR Dallas | 3 |
| 8 = DCASR Los Angeles | 6 |
| 9 = DCASR Boston | 5 |
| Total = | <u>47</u> |

Questions 42, 43, and 44 deal with providing narrative statements on recommendations for the improvement of the DCASRs' administration of the PTA Program, the general improvement of the PTA Cooperative Agreement Program itself,

and providing a point of contact if desired. The comments received will be discussed in Chapter IV.

IV. VISIT/SURVEY ANALYSIS

A. OVERVIEW

This chapter will present an analysis of the author's findings during his visits to the four DCASR sites called on: Dallas, St. Louis, Philadelphia, and Cleveland. Those particular procedures and situations in each of the regions found to be unique, innovative, problematic, or otherwise noteworthy will be discussed, and the potential applicability of useful ideas to all the DCASRs in the administration of the PTA Cooperative Agreement Program will be examined.

An analysis of significant portions of the PTA Cooperative Agreement Program Recipient Opinion Survey will be put forth. The responses to those questions deemed to be indicative of areas requiring comment on the DCASRs' administration of the Program will be discussed, as well as the results to those questions concerned with the PTA Cooperative Agreement Program in general. There will also be a review of the comments received in the survey in response to the solicitation of recommendations for the improvement of the DCASRs' administration of the PTA Cooperative Agreement Program, and for the improvement of the Program in general.

It should be noted that, as is the case in any independent study by an outside observer, the views expressed

by the author are his own, and by no means reflect the
solitary solution or viewpoint to any one particular issue.

B. ANALYSIS OF DCASR ADMINISTRATIVE PROCEDURES AND
PERFORMANCE

1. Staffing

As noted in the previous chapter, the most glaring difference noted in each of the DCASRs was the difference in the number of personnel associated with the respective Small and Disadvantaged Business Office staffs. It stands to reason that a larger staff will allow for more manpower, thus more hours, to be spent in administering the PTA Program. The sizes of the staffs ranged from 6 personnel in Dallas to only 2 in St. Louis. The size of the Dallas office may in part be explained by the fact that the staff at DCASR Dallas has absorbed the duties and personnel previously assigned to the Small Business Office of DCASMA Dallas.

In contrast to this, DCASR St. Louis finds itself in the unenviable position of having to administer the PTA Program with the resources of 2 personnel--the Associate Director of Small Business, and the office secretary. This is an unfortunate circumstance, since the Associate Director must at once be the administrator of all other functions assigned to the Small Business Office, as well as administering the PTA Program and performing the every day functions associated with it with the assistance of the

office secretary. As a further point, it should be noted that it is not appropriate nor desirable for the secretary to be performing in this capacity since the incumbent job description does not delegate duties associated with the Program to the secretarial position, nor is the person currently filling the position properly trained in the functions traditionally associated with a Small Business specialist. While it appeared this person is doing an admirable job of the assigned duties, they should not be held responsible for any difficulties which may be encountered as a result of lack of training.

2. Delegation of DCASR Responsibility

In consideration of the staffing situation in St. Louis, as well as the geographical dispersity of the St. Louis region, the Associate Director in St. Louis has found it necessary to delegate many of the daily duties associated with the PTA Cooperative Agreement Program to the small business staffs at the DCASMAS located in the territory. This delegation must be viewed with some trepidation. As noted by Sisk, there are three conditions which must be met for effective delegation to take place (Sisk, 1977: 237):

- a. Parity of authority and responsibility
- b. Absoluteness of accountability
- c. Unity of command

Parity of authority and responsibility refers to the necessity to ensure the assigned authority is broad enough in

scope to secure the adequate completion of the tasks which must be completed as specified by the delegated responsibility. Put another way, the authority granted must be strong enough to assure the responsibility is adequately carried out (Sisk, 1977: 237). In the instance of the assignment of PTA Program responsibilities to the DCASMAs, there must be authority granted to them to enforce the requirements incumbent on the recipients of PTA funds. As presently structured, this authority rests, and appropriately so, with the Associate Directors at the DCASRs. This centralization facilitates consistency of association for the PTA recipients with the DCASRs.

Absoluteness of accountability ensures that, while authority and responsibility may be delegated, the responsibility to report to higher authority may not be transferred. Those individuals ultimately tasked with the administration of any program must remain accountable for its success or failure (Sisk, 1977: 238). While it is doubtful the Associate Directors would avoid any accountability for the successful execution of the PTA Cooperative Agreement Program, the small business staffs at the DCASMAs must in no way feel pressured into assuming full accountability for the PTA Program. Accountability in this case is incumbent on the DCASR staffs alone.

Unity of command springs from the necessity for each subordinate to serve one, and only one, superior (Sisk, 1977:

239}. This trait is particularly suited for application in the DCASR-DCASMA relationship. While the various DCASMA Commanders have line authority over the small business staffs under their charge, functional staff authority rests with the Associate Directors of Small Business at the DCASRs. It is appropriate that while the Associate Directors properly have authority within the functional area of small business, the DCASMA Commanders must retain the final authority to issue direct orders for any operations carried out by their staffs. If the designated procedures of the PTA Program are delegated to the DCASMAs for action, the Associate Directors of Small Business at the DCASRs must be prepared to forfeit some measure of control over the Program.

3. Mailing of the SCAP

There was a tremendous difference in the number of SCAPs mailed to potential awardees and Congressional offices by each of the DCASRs visited. The numbers ranged from 124 by DCASR Dallas (including 49 to Congressional offices) to 14 by DCASR St. Louis. Discounting the mailings to Congressional offices, there still exists a tremendous disparity in the potential geographic award base between the various regions.

If the PTA Cooperative Agreement Program is to be a viable and progressive program, it must have the potential for growth. This is only possible by expanding the number of organizations which are aware of the Program's existence,

thus broadening an awareness of the potential service it may provide to a state or local community. Without regarding the announcement in the Commerce Business Daily and the Federal Register, which many potential awardees may not have access to, there still exists two primary ways of advertising the PTA Program's existence and soliciting proposals:

- a. Maintaining a current data base of potential awardees throughout the geographic area served by the various DCASRs; and
- b. Ensuring that every Congressional office receives a copy of the SCAP.

A current data base of potential awardees may be maintained by an aggressive annual follow-up with those organizations which exist for the purpose of assisting businesses to deal with the Federal Government. This list must be updated at least annually to ensure that any new organizations are added, that any previously uninterested organizations are affixed to the list, and that any organizations displaying disinterest in the Program for a particular fiscal year are deleted from that year's mailing list.

By ensuring that every Congressional office receives a copy of the SCAP, the DCASRs greatly expand the potential number of awardees that may not otherwise receive a copy of the SCAP. The constituency in each Congressional district will have the opportunity to be informed of the PTA Cooperative Agreement Program by its Representative or Senator in Congress, and the Congressional offices will be

kept abreast of the status of the Program by receiving a copy of the SCAP.

4. Evaluation of Proposals Received

The evaluation procedures followed by each of the DCASRs were carried out efficiently and completely. The computer program utilized by DCASR Dallas appeared to the author to be an excellent tool for tallying and summarizing the Evaluation Panel's marks. It should prove to be relatively simple to export this program to the other DCASRs for their use if so desired.

As noted in Chapter II, the FY 88 PTA Cooperative Agreement Program was funded for \$7,053,375. The odd \$53,375 was specifically earmarked for a program in Nebraska which had not been selected to receive funding in the FY 87 PTA Program as a result of not being ranked high enough by the Evaluation Panel. Representatives of the Nebraska Congressional delegation ensured funding for this particular organization under the FY 88 Program by attaching a separate rider under the funding legislation for the FY 88 DoD Appropriation Act.

If the evaluation process is to maintain independence and integrity in order to select the best state and local programs for participation in the PTA Cooperative Agreement Program, regardless of the level of funding requested, then such "porkbarrel" legislation as described in the preceding paragraph must be discouraged. The Evaluation Panels at each

of the DCASRs must feel that their independent recommendations for participants in the PTA Program are considered seriously, and are not subject to question or change in an arbitrary and capricious manner.

5. Notification of Award

Once the recipients of annual PTA Program funds have been determined, notification to them must proceed as quickly as possible in order that initiation of the year's activities may commence. It is also important that non-recipients be informed so that they may make alternate plans. DCASR Cleveland provides a letter to non-awardees explaining in general terms the reasons why the organization was not awarded a Cooperative Agreement for the fiscal year. This letter may prove useful to the organization in preparing a proposal for the following year's Program. An example of the DCASR Cleveland letter is included as Appendix B.

6. Signing Ceremonies/Post-Award Conferences

The signing ceremony of the annual PTA Program Cooperative Agreements between the DCASRs and the recipient organizations can go a long way in setting the tone for an effective and productive working relationship between the two parties for the effective period of the Program. Further, a forum for publicizing the Program to the businesses in the community is provided through notice of the ceremony in the local media.

In conjunction with the signing ceremony, it is recommended that a post-award conference be held between the DCASR and the recipient. Since the major players in the PTA Program should be present at the signing ceremony, this would provide an ideal opportunity to review the Program requirements as set forth in the agreement, and to finalize the goals as set forth by the recipients for the upcoming year. A post-award conference is particularly important for new start programs, but also is valuable for existing programs, particularly as the PTA Cooperative Agreement Program expands and changes its requirements and precepts.

As noted by Caplow (Caplow, 1976: 178):

The diminution of consensus about organizational values and goals is a normal consequence of growth, attributable in part to the inherent difficulty of getting a larger number of people who know less well to agree about anything, in part to the importation of new people and ideas, but mostly to the brute fact that as an organization grows, its relationship to its members and to the environment necessarily change, so that its original values and goals become somewhat incongruent with its original program.

As the PTA Cooperative Agreement Program becomes more detailed and changes as a natural result of evolutionary growth, it becomes vital that all the participants remain informed and clear as to the performance expected of them. Records of post-award conferences were inconsistent in each of the DCASRs visited, and must be improved in the future in order to ensure both parties are clear as to their respective responsibilities in the PTA Program.

7. Quarterly Reporting Requirements

As noted in Chapter III, there was inconsistency at the DCASRs visited as regards the deadline date for recipients to submit their quarterly reports, with some Cooperative Agreements stating a date 20 days after the end of the quarter as the submission deadline, and others stating a deadline 30 days after the end of the quarter. This inconsistency resulted from contradictory guidance issued by DLA Headquarters (DLAHQ). Needless to say, there must be one deadline for applicable to all recipients in order for consistency and equity of reporting requirements.

In the vast majority of instances, quarterly reports had not yet been received from recipients at the time of the author's visits to the DCASRs. Such negligence of submission is appropriately a factor in evaluating proposals for follow-on award of PTA funds to existing programs.

8. Effective Dates of Cooperative Agreements

In each of the four regions visited, there was no consistent application of effective dates of the PTA Cooperative Agreements. Some regions commenced the awards prior to the end of the fiscal year (such as 15 September), while other Cooperative Agreements did not commence until the start of the following fiscal year. This disparity in effective dates is due primarily to two factors:

- a. Extension of prior year programs on an exception basis. This situation occurred as result of funds remaining from the previous award, and the recipient organizations requesting approval to

fully utilize the remaining funds without having the funds lapse automatically at the end of the effective period of the Cooperative Agreement.

b. Lack of guidance from DLAHQ as to exactly what the effective dates should be.

Extension of program funding beyond one year may in some situations be warranted, but only on an exception basis. The requirement to request an extension is indicative of unusual, unforeseen circumstances in the best case, and poor planning and estimating on the part of the recipients in the worst case.

DLAHQ has not provided specific guidance as regards the effective dates of those Agreements which are not affected by extension requirements. Part of the problem lies in the fact that the proposal and evaluation process is completed relatively late in the fiscal year (mid-August for the FY 87 Program), and the DCASRs are pressured into formally signing the Agreements prior to 30 September. This in itself may cause the lack of consistency in the effective dates.

C. ANALYSIS OF SURVEY RESULTS

The PTA Cooperative Agreement Program Recipient Opinion Survey was designed to gauge the recipients' opinions in four basic areas dealing with the DCASRs' administration of the PTA Program:

1. Availability of assistance to the Recipients from DCASR
2. Performance Feedback from the DCASR to the recipient

3. Level of communication effectiveness by DCASR
4. Overall effectiveness of Program administration by DCASR.

The survey also concerned itself with the recipients' feelings about the PTA Cooperative Agreement Program from three perspectives:

1. Clarity of structure in the PTA Program
2. Utility of established goals in the Program
3. Overall effectiveness of the established goals of the PTA Program.

Analysis of each of the questions in these areas would create a great deal of unnecessary minutia for the reader. The author will examine the most typical of the questions, and present a subjective evaluation of the responses. It should be noted that the average score received on the evaluation questions was 5.34. This score then is an average rating, and represents an average performance score for the DCASRs on any particular question. Any means which are higher or lower than a 5.34 are indicative of a higher or lower than average performance in that area in the opinion of the recipients.

1. Availability of assistance to the recipients from DCASR

Question 25, "To what degree does DCASR assist you in developing higher levels of readiness for providing assistance to the small business sector?", had a mean response of 5.02. This is slightly below average, and with a

standard deviation of 1.83, the responses were not bunched around the mean. The response scores on this question were in line with the scores on question 32, "To what degree does DCASR make available its internal experts as consultants?" The mean here was 5.13, with a slightly less standard deviation of 1.73.

The key to the PTA Cooperative Agreement Program may be found in the word "cooperative." While designated as the primary administrators of the PTA Program, the DCASRs must make themselves available as technical experts when called upon to do so by the recipients in order to maintain a sense of cooperation. As noted by the Commission on Government Procurement {Report of the Commission on Government Procurement (Vol. 3), 1972: 167}:

In emphasizing recipient responsibilities, we cannot lose sight of the Federal responsibility for assuring the effective expenditure of public funds. Assistance programs must strike a careful balance between utilizing and encouraging recipient capabilities and **providing the standards and technical assistance, including management assistance**, needed to assure effective performance. [emphasis added]

While the responses to questions 25 and 32 are only slightly below average, indicating that the recipients are relatively satisfied with the level of assistance provided by the DCASRs when called upon to do so, the response to question 17, "To what degree does the PTA Cooperative Agreement Program provide adequate mentorship?" is a bit more revealing. Here the average response was a 4.63, with a standard deviation of 1.76. There is perhaps a feeling on

the part of the recipients that once they have received a Cooperative Agreement, then they must "take the ball and run with it" without added guidance from the DCASRs on a regular basis. As 50% of the team in the PTA Cooperative Agreement Program, the DCASRs are responsible to a no less degree than the recipients for the successful execution of the Program, and they should not isolate themselves from the Program's daily responsibilities.

2. Performance Feedback from the DCASR to the Recipient

Of the areas examined, the area of performance appraisal and feedback appeared to be the one of greatest concern to the recipients. This is perhaps a natural reaction, and one to be expected. Any individual or organization will be concerned with the impression they are making on their superiors, and what impact their performance is having on their future role in the program in which they are involved.

The responses in this area ranged from a high of 5.21 for question 9 ("To what degree do you understand how your work will be evaluated?") to a low of 4.80 on question 26 ("To what degree do you receive adequate feedback on the outcome of your job performance?"). This can lead one to the conclusion that while the performance appraisal process is fairly well understood by the recipients (question 9), they did not feel that DCASR was providing effective feedback on the results of their quarterly performance reports. The mean

of 4.98 on question 37, "To what degree do you and DCASR discuss your organization's performance at regular intervals?", indicates a perception on the recipients' parts that performance reviews are not held on a regular basis.

As noted by W. W. Burke in his book Organization Development: Principles and Practices, there exist four major characteristics of an effective performance appraisal system:

1. Reliability and Validity. Reliability is a function of the objectivity of performance measurement, and ensures that all will be evaluated against the same yardstick. Validity guarantees that the appraisal will make judgments about the current responsibilities being carried out, not future ones.
2. Job-relatedness. The appraisal should relate to criteria relevant to a specific job, (or organization).
3. Standardization. The performance appraisal system should be consistently structured and applied for all recipients. Only in this way can fair and impartial comparisons be made between the various organizations involved in the Program.
4. Practicality. The appraisal system should be relatively simple and straightforward, and should serve the purpose for which it was intended. In the case of the PTA Cooperative Agreement Program, this is to ensure that the recipients are making satisfactory progress on their established goals. (Burke, 1982: 124)

While these elements are no doubt present to varying degrees in the application of the performance review system at each of the DCASRs, the use of them should be consistent in order to ensure the most effective evaluation of the

recipients, and to best improve the productive employment of the PTA Cooperative Agreement Program.

3. Level of Communication Effectiveness by DCASR

Question 4, "To what degree do you understand the lines of authority in the PTA Cooperative Agreement Program?", with a mean of 5.77 and a standard deviation of 1.25, and question 5, "To what degree are you clear about whom you report to?", with a mean of 6.57, and a standard deviation of .71, indicate a clear understanding of the lines of authority in the PTA Cooperative Agreement Program. The DCASRs appear to have done a good job in communicating the organizational structure of the Program to the recipients.

However, a mean of 4.83 on question 2, "To what degree is the downward flow of information in the PTA Cooperative Agreement Program efficient?", indicates some dissatisfaction on the recipients' parts with the DCASRs' performance in communicating with them on a regular and timely basis. The reciprocal of this, the openness of the lines of communication up to the DCASR level from the recipients, is reflected in question 35. The mean response to "To what degree do you feel free to suggest changes in how you are managed" was a 4.89, with a standard deviation of 1.75. While 51.11% of the responses here were 5 or below, 33.33% were 6. In other words, while the majority of the recipients feel some intimidation about initiating communication with DCASR regarding concern about their

management role, many of them do feel comfortable about calling on the DCASR as a team member in managing the Program. This view is supported by question 36, "To what degree are you able to influence goals set during your performance-appraisal interview?". The mean of 4.78 and standard deviation of 1.82 are fairly well in line with question 35, although only 37.5% of the respondents gave this question a score of 6 or 7, as opposed to 48.89% on question 35.

The responses to question 36 reflect further concern on the part of the recipients as regards the performance review process by the DCASRs. The recipients may feel they do not play an active role in the goal-setting process. There may exist some feeling that once goals are established for the period of the Cooperative Agreement, they must not change and are not subject to discussion.

4. Overall Effectiveness of Program Administration by DCASR

Based on a mean of 5.83 on question 24, "To what degree do you feel confidence in DCASR's ability to administer the PTA Cooperative Agreement Program?", indicates a generally positive feeling on the part of the recipients as regards the DCASRs' ability to effectively administer the Program. Ideally, of course, the mean to this question would be 7!

Question 6, "To what degree do you believe that the PTA Cooperative Agreement Program is overly bureaucratic?", is a negative question, and the scale of responses was reversed for comparison to other questions¹. A mean of 5.28 indicates a feeling that the PTA Program, in general, is not overly bureaucratic, with over 74% of the respondents giving a score of 5 or above. This question was included in this section in order to assess the DCASRs' ability to explain the administrative requirements of the PTA Cooperative Agreement Program. It would have been just as appropriately been included in the communication section or the section on clarity of structure of the Program.

Question 11, "To what degree does the PTA Cooperative Agreement Program hold individuals accountable for being productive?", was included in this section to gauge how well the DCASRs were communicating the performance requirements of the PTA Program. A mean of 4.77 on this question may indicate further dissatisfaction on the part of the recipients with the performance review process, and may further signify that the recipients feel the performance appraisal process as constructed is not a very useful tool. In this regard, the DCASRs have not done a thorough review of the purpose of the performance review mechanism with the recipients. Nonetheless, the recipients feel the DCASRs have

¹For this question, a response of "1" becomes "To a very great degree, and a "7" becomes "To little or no degree."

been forthright and honest in the reviews of performance, as indicated by a mean of 6.07 on question 14, "To what degree is the review of your performance conducted in an honest manner?"

The next three sections deal with the overall structure of the PTA Cooperative Agreement Program.

5. PTA Cooperative Agreement Program Clarity of Structure

The purpose of the PTA Program is well understood by the recipients, as may be inferred by a mean of 6.11 and a standard deviation of only .89 in response to question 16, "To what degree do you understand the central purpose of the PTA Cooperative Agreement Program?" There does appear to be slight concern about the logic of the organization of the Program, as a mean of 5.17 to question 28, "To what degree does the PTA Cooperative Agreement Program seem logically organized?", would seem to indicate. Again, this may indicate concern about the performance review process, and may speak of the lack of explanation offered by the DCASRs about the rationale for the current Program structure.

6. Utility of Established Goals in the PTA Cooperative Agreement Program

This section was meant to measure the recipients' feelings about the purpose of the PTA Cooperative Agreement Program. All the means of the questions in this section were relatively high, ranging from a low of 5.55 on question 21,

"To what degree do you understand the policies of the PTA Cooperative Agreement Program?", to a high of 6.15 in response to question 7, "To what degree do you understand the long-term goals of the PTA Cooperative Agreement Program?".

The greatest revelation regarding the success of the PTA Program in assisting the recipients with the tasks they have taken on in assisting firms do business with the Federal Government came in response to question 36, "To what degree has the PTA Cooperative Agreement Program, as presently structured, been of assistance in furthering the goals of your organization?". A mean of 5.94 indicates overall satisfaction with the assistance provided by the PTA Program, although higher scores may have been received if the structure of the Program were more clearly defined from the recipients' points of view, or if the performance appraisal process were more to the liking of the recipients.

7. Overall Effectiveness of the Established Goals of the PTA Cooperative Agreement Program

The most telling responses in this section dealt with questions 8 and 29, respectively "To what degree does the PTA Cooperative Agreement Program have standards for effective performance?", and "To what degree is the PTA Cooperative Agreement Program's performance-review system useful to you?". Note that both of these questions deal with the performance evaluation process. With a mean of 5.22 and a standard deviation of 1.35 on question 8, and a mean of 4.81

and a standard deviation of 1.47 on question 29, both responses indicate general dissatisfaction with the present structure the PTA Program performance review procedure. Such dissatisfaction was a recurring theme throughout the survey.

8. Demographic Questions

The majority of the respondents to the survey are a part of recently established organizations. Of the 47 surveys returned, 38 were received from recipient organizations less than five years old. Although not specifically stated, this would seem to indicate that the majority of the recipient organizations were founded on the premise of receiving PTA Cooperative Agreement Program funds, since the PTA Program itself is now entering its fourth fiscal year of existence. One could further conclude there exists a great dependence on PTA Program funding on the part of the recipients for their continuing existence.

In comparing the responses to question 40, "Approximately how many small businesses have been assisted by your organization this fiscal year (since 1 October 1987)?", to those of question 41, "If a recipient in prior years of PTA Cooperative Agreement funds, to how many small businesses did you lend assistance last year?", an encouraging trend comes to notice. The majority of respondents to question 41 indicated that 500 or less small businesses were assisted last year. By comparison, 29 of the 47 survey respondents indicated in question 40 that over 100

small businesses had already been assisted from 1 October 1987 to the date of the response to the survey². This indicates an increasing utilization of the services offered by the recipients to small businesses, and is thus a positive indication of the success of the PTA Cooperative Agreement Program.

9. Review of Comments Submitted by Survey Respondents

The comments received from the survey respondents covered a number of topics, but there were four areas which received the most attention. These were:

- a. The performance appraisal/review process, both inherently as structured by the PTA Cooperative Agreement Program, and as administered by the DCASRs;
- b. A desire for increased communication on the part of the DCASRs;
- c. A wish for an increase in the funding cap for any one organization above the current \$150,000; and,
- d. A desire for multi-year vice annual Cooperative Agreements.

In light of the emphasis placed on the performance review process in response to numerous scaled questions in the survey, it was not surprising to see specific comments regarding this issue in the narrative feedback section. Nine of the respondents made mention of the review process in their comments. Numerous of the respondents expressed a desire for more feedback on their performance, and felt that

²Note that all surveys were returned to the author by 22 February 1988 for analysis purposes.

the DCASRs were performing inadequately in providing constructive feedback to the recipients on a regular basis. There was concern also expressed about the worth of the performance appraisal process as presently structured in the Program in general. Several of the respondents expressed apprehension about the emphasis on reaching established quantitative goals without regard for the qualitative performance of the organizations. As noted by one of the respondents:

Our program has only been visited once, at its inception, since September 1986. It would be helpful to receive positive feedback and constructive criticism on how to further our goals. DCASR officials sometimes seem to stay aloof to the effectiveness of our program. What we don't want is dominance or tieing our hands with bureaucratic regulations. However, we would like to hear more that DCASR is really concerned for the success of this effort.

There may be inferred from this statement not only a concern for the validity of the performance appraisal process, but also an expression of a desire for better communication by the DCASRs with the recipients. Of the 47 respondents to the survey, 8 of them made specific allusion to a desire for more direct and frequent communication with the DCASR responsible for the PTA Program in their geographic area. The concerns expressed ranged from more detailed briefings on the Program's requirements to being kept apprised of the chance for renewal in the following year for planning purposes.

Numerous funding issues were raised by the respondents. Five of the respondents specifically mentioned the possibility of raising the funding cap for any one organization above the current ceiling of \$150,000. This concern was extended to the paucity of the current ceiling for funding statewide programs:

The \$150,000 cap for each applicant severely restricts a statewide operation such as ours. We have the potential to spread this program to 22 locations virtually covering all of [state name deleted] but cannot with \$150,000. Recommend DLA and Congressional action to increase the cap dramatically if a large geographical area is to be covered.

Two of the respondents made specific mention of a desire to have established a preference for existing programs over new starts. As noted by a respondent:

Administer the funding of the PTA Cooperative Agreement Program so that good programs can reasonably expect to be funded year to year. The low level of funding, with mandates to fund new programs each year, guarantees a mortality rate for good existing programs.

Tied to the funding issue is the desire specifically expressed by 8 of the respondents for some form of multi-year Cooperative Agreement, either in the form of firm multiple year awards, or the option to renew after DCASR/DLA review of the first year's performance. As noted previously, many of the respondents voiced concern about their inability to make long range plans without the assurance of continued funding on a multi-year basis. One respondent noted:

One aspect of the PTA CA Program that could be modified to make participants feel more comfortable with it is the provision of some sort of certainty of continuity. We assume that, if the Program is funded by Congress,

and if we meet our proposed goals for the year, and if we project continued progress in our proposal, we will probably receive funding. Some indication that continued funding will be forthcoming so long as our performance continues to be highly satisfactory would be helpful in projecting program continuity and personnel stability.

The anxiety felt by the various recipients as regards the desire for multi-year awards is perhaps best expressed in the following quote:

A more lasting program will develop, attract, and maintain the proper skilled/professional staff - the backbone of the program. The local communities served by the program would also have an incentive for continued cost sharing, an essential program requirement. The continuation of the program would allow time for program improvements and other changes, which is now constrained by the one-year program life. This is not like a single study or research effort which could be started and completed within a year. The [PTA Cooperative Agreement Program] is an ongoing continuous service which does not lend itself to unknown annual renewals. Planning and implementation tend to become too tentative in a short cycle.

V. CONCLUSION/RECOMMENDATIONS

A. CONCLUSION

The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgement be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for property and services for the Government...be placed with small business enterprises...to maintain and strengthen the overall economy of the Nation. {Public Law 85-536, 85th Congress, H. R. 7963, July 18, 1958}

This introduction to the Small Business Act makes clear the intent of the Congress of the United States to assist small business concerns retain a fair share of the procurements initiated by the Federal Government. There is recognition of the importance of small business America to this country in the Act, and acknowledgement of the fact that the vast majority of free enterprise in the United States is carried out by small, privately held companies.

In this spirit the PTA Cooperative Agreement Program was established. The PTA Program exists as a means of funding procurement technical assistance programs on the state and

local level. As a cooperative agreement arrangement, the Program allows for the formation of an alliance between the Federal Government and the state and local sponsors of the individual programs throughout the country. It is this alliance aspect which makes the PTA Cooperative Agreement Program a unique assistance program. Since both the Federal Government and the state/local governments provide funding for the Program's maintenance, there is a mutual interest at stake for the Program's success.

Entering its fourth fiscal year of existence, the PTA Program continues to grow and becomes more popular each year. In visits to two recipient sites, the author noted tremendous enthusiasm for the Program. The administrators at each of the sites made a specific point of highlighting how much the PTA Program has meant to the local small business community, in terms of added information resources, and perhaps more tangibly, the increased number of contract awards as a direct result of technical assistance provided by the PTA Centers.

The general thrust of this research effort has been to assess the effectiveness of the administration of the PTA Program as carried out by the nine DCASRs throughout the country. In sum, the DCASRs are doing a good job of administering the Program on a daily basis. The Associate Directors of Small Business at the DCASRs are enthusiastic about the Program, and the potential it holds for assisting small businesses. In turn, the Associate Directors and their

staffs were genuinely interested in assisting the author in his effort to evaluate the Program's administration, and formulate recommendations for administrative improvements, as well as the improvement to the PTA Program in general.

B. RECOMMENDATIONS

Through the evaluation of the findings of his visits to four DCASRs and the responses received to the PTA Cooperative Agreement Program Recipient Opinion Survey, the author has formulated the following recommendations for action by the Defense Logistics Agency. It is recognized that the implementation of some of the recommendations may not feasible in the near term, but their eventual execution will result in a stronger and more viable program in the future.

The first four recommendations focus on actions required of the DCASRs.

- * Recommendation 1: More Personal Interaction between the DCASRs and the Recipients in the Performance Appraisal Process

The analysis of the survey as presented in Chapter IV made clear the need for a more regular and personal performance appraisal process between the DCASRs and the recipients. While the establishment and accomplishment of quantitative goals is important, it is not the sole determinant of a successful program. There exists a need for qualitative analysis for the success of any recipient's

program. While it is possible to assess a recipient's performance based on a review of the achievement of numeric goals established in submitted proposals without regular face-to-face interaction, an assessment of the real quality of an individual PTA Center is only possible by personal visits to the sites, and interviews with the organization's personnel.

The DCASRs must also recognize the cooperative aspect of the Program during the performance review process, and allow for some flexibility in goal achievement as circumstances dictate. This becomes more possible as the lines of communication between the DCASRs and the recipients become more open. This process would be greatly facilitated by communication with the recipients on a regularly scheduled basis rather than waiting for a quarterly performance review. Semi-weekly telephone calls to the recipients and a minimum of one visit per quarter to the recipient sites by DCASR PTA Program staff personnel would go far in promoting better relations between the DCASRs and the recipients.

* Recommendation 2: Enforcement of Quarterly Reporting Dates

While the DCASRs must be more aware of an open exchange of views during quarterly performance reviews, the recipients have a responsibility to ensure that their quarterly reports are submitted in a timely fashion. The author noted at the time of his visits to the four DCASRs that relatively few of

the quarterly reports had been received from the PTA Centers. The DCASRs must more aggressively follow-up with those recipients which do not submit their quarterly reports in a timely fashion.

* Recommendation 3: Attendance at Cooperative Agreement Signing Ceremonies by the Associate Director of Small Business

In numerous instances the Associate Director of Small Business did not attend the signing ceremonies for the Cooperative Agreements. In other instances, there simply was not a ceremony held, and the paperwork was processed through the U.S. mail system.

A signing ceremony, whether it be simple or elaborate, can help establish the tone for the entire year's relationship between the participants in a program such as the PTA Cooperative Agreement Program. The ceremony may also serve as a useful public relations platform in that the local media may advertise the Program's existence in the local community by covering it in daily news reports.

In light of this, it is recommended that a signing ceremony be held for each Cooperative Agreement, particularly new starts (first year), and that the Associate Director of Small Business at each DCASR be a participant. If this is not possible due to schedule conflicts, a ranking representative of the DCASR, such as the Commander or Executive Officer, should be present.

In conjunction with the signing ceremony, it is recommended that a post-award conference be held to review the requirements of the Cooperative Agreement, and that a record of the conference be kept on file. Holding the post-award conference in conjunction with the signing ceremony will make it possible to ensure that the primary participants in the PTA Program are clear about the responsibilities of the both parties.

* Recommendation 4: Maintenance of DCASR as the Focal Point of Program Administration

The DCASRs must ensure they are the focal point of the Program's daily administration. Any temptation to delegate substantial portions of responsibility for the PTA Program to the DCASMAs must be avoided. Not only does there exist the possibility of conflict of command between the Associate Directors of Small Business and the DCASMA Commanders, but the PTA Centers may suffer from a lack of consistent guidance if decentralization is carried out to any great degree.

The next two recommendations are directed for action by DLA Headquarters.

* Recommendation 5: Issuance of Written Guidance from DLA Headquarters

In much the same way that the DCASRs must be consistent in their administrative actions towards the recipients, DLAHQ should issue written guidance to the DCASRs so that the Associate Directors of Small Business are clear about their

responsibilities as regards the PTA Program's administration. Presently the SCAP document which exists to guide the DCASRs on the procedures to be followed in the daily administration of the Program. The instructions contained in the FY 87 SCAP for Program administration were limited to just two-and-a-half pages of very general guidelines. DLAHQ must formulate and promulgate much more detailed instructions on the specific procedures to be followed by the DCASRs in administering the PTA Cooperative Agreement Program so that the methods and strategies carried out will be consistent throughout the country.

* Recommendation 6: Earlier Issuance of the SCAP by
DLAHQ

DLAHQ must expedite the finalization of the SCAP package earlier in the fiscal year in order that the bid and evaluation process may be commenced earlier and consequently completed sooner. This would allow for promulgation of standard effective dates of the Cooperative Agreements throughout the country, which in turn would facilitate comparison of the performances of the PTA Centers against a standard time-period baseline.

The final recommendations are for Congressional consideration.

* Recommendation 7: Independence of the Evaluation Process

There is no doubt many programs throughout the United States which would carry out worthwhile procurement technical assistance programs if adequate funding were available to fund all the organizations submitting proposals.

Unfortunately, it is not possible to fund every potential participant in the PTA Cooperative Agreement Program. It is left to the evaluation panels established at the DCASRs to assess the submitted proposals and forward recommendations for award of Cooperative Agreements to DLA Headquarters for final review. Such a system is the best assurance of an independent and impartial evaluation of the proposals in order to select the best and most promising organizations to participate in the PTA Cooperative Agreement Program. It is recommended that Congress remain apart from the evaluation procedure so that the best organizations may be selected to participate in that particular fiscal year's Program without parochial concerns playing a part in the selection process, as was the case in the Nebraska award.

* Recommendation 8: Consideration of Multi-Year Funding and Awards

The requirement to award a certain percentage of any fiscal year's Cooperative Agreements to new starts is a good one. This ensures that any promising new organizations are given a chance to participate in the PTA Program.

Unfortunately, this requirement also inevitably leads to discontinuing a certain number of existing programs' participation in the PTA Program for consecutive years. There should be consideration be given a multi-year award option, whereby each participant's performance would be reviewed prior to termination of the Cooperative Agreement at year's end. The option to extend the Cooperative Agreement would be contingent on the strength of the performance over the past year of the organization being reviewed.

This system would prove most beneficial to those organizations completing their first year of participation in the PTA Cooperative Agreement Program. It most often takes a number of months for positive momentum to be established in any newly-formed organization, and a one year period may not be sufficient to establish a clear record of performance.

* Recommendation 9: Increased Funding for the PTA Program

In these days of budget cuts and sizeable deficits, the recommendation to substantially increase the funding for any federally sponsored program may appear a bit ludicrous. Yet, if the Congress were to examine the success of the PTA Cooperative Agreement Program to date, and then look forward to what is possible with a substantial funding increase, such a request may not appear as ridiculous as it appears on the surface.

Such an increase in funding would allow for numerous initiatives to take place. These initiatives, enumerated below, would correct several deficiencies the author noted in his analysis.

1. An allowance for increased staffing at the DCASRs and at DLAHQ in support of the PTA Cooperative Agreement Program would be possible. When the PTA Program was initiated, there was not a correspondent increase in staff size to allow for the increased workload placed on the DCASRs and DLA. Any funding increase must contain a provision that certain of the funds be utilized for the salaries of personnel to have as their primary responsibility the administration of the PTA Program at the DLAHQ and DCASR level. At least one person should be assigned to this function at each DCASR.
2. An increased travel budget for the Program's administration would be possible if funding were increased. Such travel funds would allow for more personal interaction between the DCASR staff personnel and the recipient sites, which are often located hundreds of miles from the DCASR responsible for their administration. This would allow for less dependence on the DCASMAS by the DCASRs, and thus permit greater centralization of the PTA Program. This in turn would assist in establishing greater consistency in the Program's administration, a need noted previously.
3. If more funding were available, more worthwhile programs could be supported, thus leading to a more widespread geographic base. Such a base would increase the number of businesses served by the PTA Program, and would eventually lead to a more equitable and evenly spread distribution of DoD procurement dollars throughout the country.

The author would recommend to Congress that an increase in funding to approximately \$12 million for FY 89 would allow for a tremendous increase in the number of PTA Centers throughout the country, permit DLA to adequately staff for a more efficient administration of the Program, and enable more

personal interaction between the DCASRs and the recipient sites to take place with increased travel funding.

APPENDIX A

**PTA COOPERATIVE AGREEMENT
RECIPIENT OPINION SURVEY
AND COVER LETTER**

19 January 1988

Dr. Jane Smith
Director, PTA Center
3711 First St.
Anytown, USA 12345-0000

Dear Dr. Smith,

America's small businesses are the economic backbone of this great nation of ours, and their ultimate success or failure in the marketplace may very well depend on the valuable assistance given to them by organizations such as yours. To that end, Congress has seen fit to establish the Procurement Technical Assistance (PTA) Cooperative Agreement Program to provide Federal matching funds to numerous non-profit organizations, as well as to several state and local governments, which are dedicated to assisting small businesses transact with the Federal Government. Your organization is a recipient of PTA funds this fiscal year, and so I write to you to ask for your support in my effort to research and better understand the administration of this worthy program.

My name is Lieutenant Commander Jeff Matens. I'm currently involved in a study at the Naval Postgraduate School in Monterey, California, to analyze the effectiveness of the various Defense Contract Administration Service Regions' (DCASR) administration of the PTA Cooperative Agreement Program. Recent Congressional and GAO interest in the program has prompted a desire on the part of the Defense Logistics Agency (DLA) to ensure that oversight role held by the nine DCASRs throughout the United States is being fulfilled in an efficient and proper manner. Let me assure you that the program itself is in outstanding shape, and will be continued for years to come. However, since the program is now in its third fiscal year, the time has come to re-define and clarify the DCASRs' administrative procedures.

To this end, it is requested that you take just a few minutes to complete the enclosed survey form, and return it to me via the enclosed return envelope by February 19, 1988. I must emphasize two important points: first, that this study is one of the DCASRs' administrative role in the program, and is not a study of your organization's performance; secondly, your responses will be held in the strictest confidence by me, and will not be released to anyone. It would be appreciated if you would provide a name on the last page of the form, but this strictly optional, and for record purposes only. Also, my records indicate that you report to DCASR Cleveland for administrative purposes. There is a reply on the survey which you may use to confirm this.

Your cooperation and assistance is deeply appreciated, Dr. Smith. My hope is to make recommendations which will greatly enhance the efficient administration of the PTA Cooperative Agreement Program. In the final analysis, it is this country's small businesses which come out the winners!

Sincerely,

Jeffrey B. Matens
Lieutenant Commander
Supply Corps
United States Navy

Student Mail Center
Box 1383
Naval Postgraduate School
Monterey, CA 93943-5011
Ph. (408) 646-2536

PTA Cooperative Agreement Program Recipient Opinion Survey page 1

Below are 45 questions. Please circle your response on the scale for the item.

Response scale: 1 - To little or no degree
2 - To a slight degree
3 - To some degree
4 - To a moderate degree
5 - To a considerable degree
6 - To a great degree
7 - To a very great degree

| To what degree: | Circle response |
|---|-----------------|
| 1. are there reasonable performance-appraisal guidelines in the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 2. is the downward flow of information in the PTA Cooperative Agreement Program efficient? | 1 2 3 4 5 6 7 |
| 3. do you understand the priorities of the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 4. do you understand the lines of authority in the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 5. are you clear about whom you report to? | 1 2 3 4 5 6 7 |
| 6. do you believe that the PTA Cooperative Agreement Program is overly bureaucratic? | 1 2 3 4 5 6 7 |
| 7. do you understand the long-term goals of the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 8. does the PTA Cooperative Agreement Program have standards for effective performance? | 1 2 3 4 5 6 7 |
| 9. do you understand how your work will be evaluated? | 1 2 3 4 5 6 7 |
| 10. is the performance-review system effective in the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 11. does the PTA Cooperative Agreement Program hold individuals accountable for being productive? | 1 2 3 4 5 6 7 |
| 12. are the goals and objectives of the PTA Cooperative Agreement Program reasonable? | 1 2 3 4 5 6 7 |
| 13. is effective ombudsmanship practiced in the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 14. is the review of your performance conducted in an honest manner? | 1 2 3 4 5 6 7 |
| 15. does DCASR provide guidance for improvement? | 1 2 3 4 5 6 7 |
| 16. do you understand the central purpose of the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 17. does the PTA Cooperative Agreement Program provide adequate mentorship? | 1 2 3 4 5 6 7 |
| 18. is there appropriate centralization in the administration of the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |

PTA Cooperative Agreement Program Recipient Opinion Survey page 2

Response scale: 1 - To little or no degree
 2 - To a slight degree
 3 - To some degree
 4 - To a moderate degree
 5 - To a considerable degree
 6 - To a great degree
 7 - To a very great degree

| To what degree: | Circle response |
|---|-----------------|
| 19. are you satisfied with the procedure for reporting the expenditure of program funds as required by the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 20. do you feel that you can make an appeal if you believe you have been treated unfairly by DCASR? | 1 2 3 4 5 6 7 |
| 21. do you understand the policies of the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 22. does the PTA Cooperative Agreement Program have goals and objectives that are clear? | 1 2 3 4 5 6 7 |
| 23. are the goals and objectives of the PTA Cooperative Agreement Program clearly explained? | 1 2 3 4 5 6 7 |
| 24. do you feel confidence in DCASR's ability to administer the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 25. does DCASR assist you in developing higher levels of readiness for providing assistance to the small business sector? | 1 2 3 4 5 6 7 |
| 26. do you receive adequate feedback on the outcomes of your job performance? | 1 2 3 4 5 6 7 |
| 27. is goal setting a integral part of the performance-review process in the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 28. does the PTA Cooperative Agreement Program seem logically organized? | 1 2 3 4 5 6 7 |
| 29. is the PTA Cooperative Agreement Program's performance-review system useful to you? | 1 2 3 4 5 6 7 |
| 30. is DCASR open about your potential future prospects in the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 31. does the PTA Cooperative Agreement Program appear to be disorganized? | 1 2 3 4 5 6 7 |
| 32. does DCASR make available its internal experts as consultants? | 1 2 3 4 5 6 7 |
| 33. do you understand the performance-appraisal process in the PTA Cooperative Agreement Program? | 1 2 3 4 5 6 7 |
| 34. does DCASR provide both constructive criticism and positive feedback in your performance review? | 1 2 3 4 5 6 7 |
| 35. do you feel free to suggest changes in how you are managed? | 1 2 3 4 5 6 7 |

PTA Cooperative Agreement Program Recipient Opinion Survey page 3

Response scale: 1 - To little or no degree
2 - To a slight degree
3 - To some degree
4 - To a moderate degree
5 - To a considerable degree
6 - To a great degree
7 - To a very great degree

To what degree: Circle response

36. are you able to influence goals set during your performance-appraisal interview? 1 2 3 4 5 6 7

37. do you and DCASR discuss your organization's performance at regular intervals? 1 2 3 4 5 6 7

38. has the PTA Cooperative Agreement Program, as presently structured, been of assistance in furthering the goals of your organization? 1 2 3 4 5 6 7

Circle the appropriate response for the following items.

39. How long has your organization existed for the purpose of lending assistance to small businesses in dealing with the Federal Government?

1 - Less than 1 year
2 - 1-3 years
3 - 3-5 years
4 - 5-10 years
5 - Over 10 years

40. Approximately how many small businesses have been assisted by your organization this fiscal year (since 1 October 1987)?

1 - 0-25
2 - 25-50
3 - 50-100
4 - Over 100

41. If a recipient in prior years of PTA Cooperative Agreement funds, to how many small businesses did you lend assistance last year?

1 - 0-100
2 - 101-150
3 - 151-250
4 - 251-500
5 - 501-1000
6 - Over 1000
7 - N/A - not a previous recipient

42. (Optional) What recommendations would you make for the improvement of DCASR's administration of the PTA Cooperative Agreement Program?

1 - See attached
2 - No improvements recommended

43. (Optional) What recommendations would you make for the improvement of the PTA Cooperative Agreement Program?

1 - See Attached
2 - No improvement recommended

44. If you would like to provide a point of contact, feel free to do so on the following page. Once again, it is stressed that strict confidentiality of your responses will be maintained.

1 - See attached
2 - Prefer not to provide a point of contact

45. To which of the following DCASRs does your organization report to for administrative purposes?

1 - DCASR New York
2 - DCASR Philadelphia
3 - DCASR Atlanta
4 - DCASR Chicago
5 - DCASR Cleveland
6 - DCASR St. Louis
7 - DCASR Dallas
8 - DCASR Los Angeles
9 - DCASR Boston

42. Improvement of DCASR's administration of the PTA Cooperative Agreement Program:

43. Improvement of the PTA Cooperative Agreement Program:

44. Point of Contact:

Name: _____

Address: _____

Phone No.: _____

APPENDIX B

DCASR CLEVELAND LETTER TO NON-AWARDEES



DEFENSE LOGISTICS AGENCY
DEFENSE CONTRACT ADMINISTRATION SERVICES REGION CLEVELAND
ANTHONY J CELEBREZZE FEDERAL BUILDING
1240 EAST NINTH STREET
CLEVELAND, OHIO 44199-2063

4 SEP 1987

IN REPLY REFER TO

DCASR CLE-DU

(Addressee Name and Address)

Dear Mr./Ms. _____,

Evaluation of all proposals received in response to the Department of Defense Solicitation for Cooperative Agreement Proposals (SCAP) 87-1, as amended, is complete. We received 34 proposals, and 15 technical assistance centers will receive matching funds.

Due to the competitiveness of the proposals and the limitation of funds, we are unable to award agreements to all offerors. Your program is one of the 19 in our Region that we are unable to fund.

Our review indicates that the most common deficiency is the lack of sufficiently detailed information concerning one or more of the primary evaluation factors, such as the description of the program, personnel qualifications, and intended use of DoD funds.

Although your program will not receive an award this year, opportunities will be offered in the future. Due to increased Congressional interest, we anticipate a higher level of funding in fiscal year 1988. Plans for issuance of the FY 88 Solicitation are already underway. We will forward a copy as soon as it is issued.

If you wish to discuss your detail, please contact me or my assistant, Mrs. Catharine Szlembarski at (216) 522-5122, (216) 522-5150, or (800) 551-2785. We will be happy to review it with you.

Sincerely,

(Signed)

Wilma R. Combs
Associate Director of Small Business

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